

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0136  
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU0285A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC.		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT
Contact: KAYLENE R GARDNER E-Mail: kaylene_gardner@eogresources.com		8. Lease Name and Well No. CHAPITA WELLS UNIT 1281-27
3a. Address 1080 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-9111	9. API Well No. 43-047-402106
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SENW 1321FNL 2070FWL 40.01062 N Lat, 109.42816 W Lon At proposed prod. zone SENW 1321FNL 2070FWL 40.01062 N Lat, 109.42816 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 50.3 MILES SOUTH OF VERNAL UTAH		11. Sec., T., R., M., or Blk. and Survey or Area Sec 27 T9S R22E Mer SLB
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1321	16. No. of Acres in Lease 1800.00	12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 9400 MD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4951 GL	20. BLM/BIA Bond No. on file NM 2308	17. Spacing Unit dedicated to this well
22. Approximate date work will start	23. Estimated duration 45 DAYS	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |   |  |
|---|--|
| 1. Well plat certified by a registered surveyor.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan.   | 5. Operator certification  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission)	Name (Printed/Typed) KAYLENE R GARDNER Ph: 435-781-9111	Date 10/25/2007
Title LEAD REGULATORY ASSISTANT		
Approved by (Signature)	Name (Printed/Typed) BRADLEY G. HILL	Date 07-31-08
Title ENVIRONMENTAL MANAGER		

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Electronic Submission #56908 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal

Federal Approval of this  
Action is Necessary

RECEIVED

JUL 30 2008

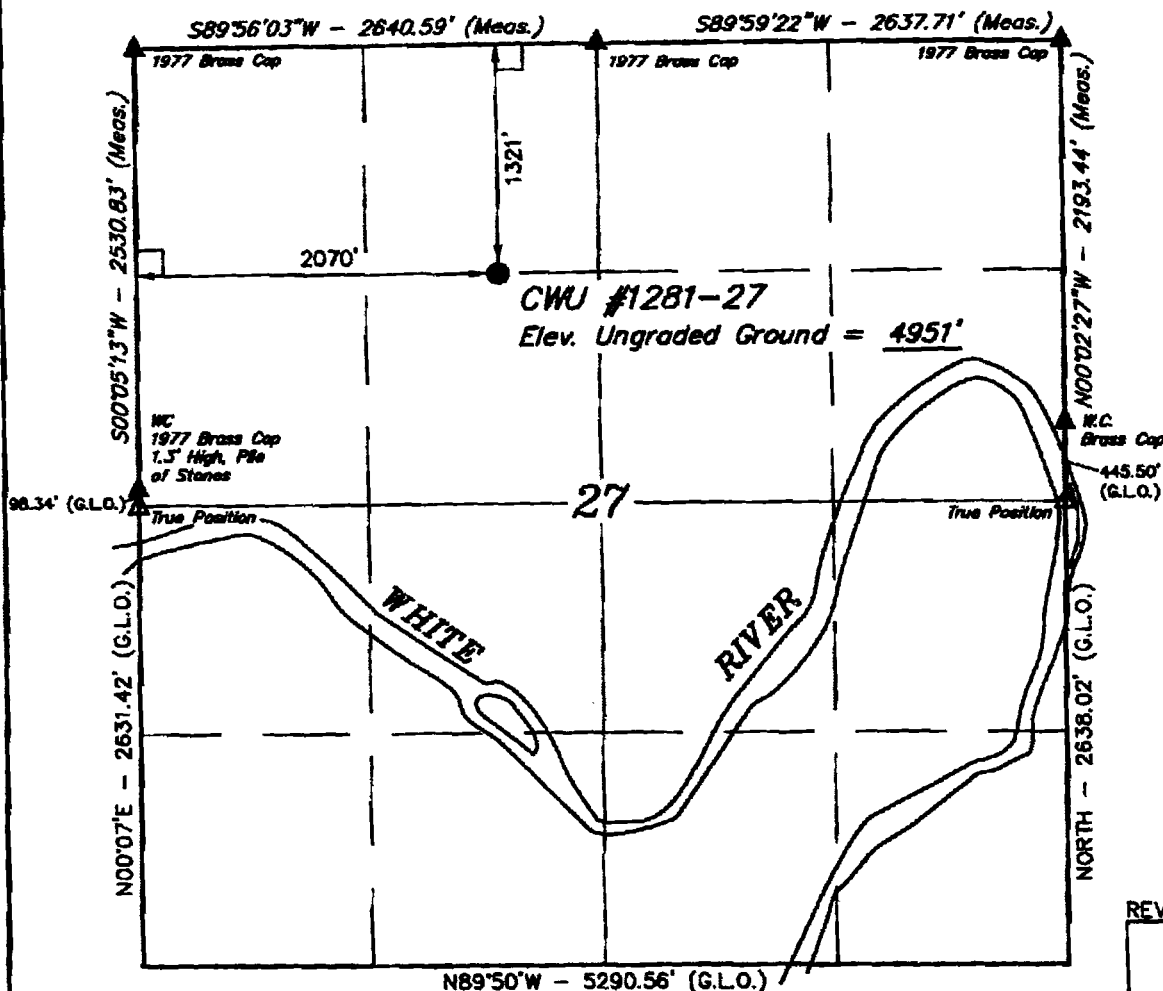
DIV. OF OIL, GAS & MINING

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

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44299154

40.010665  
- 109.427472

**T9S, R22E, S.L.B.&M.**



**EOG RESOURCES, INC.**

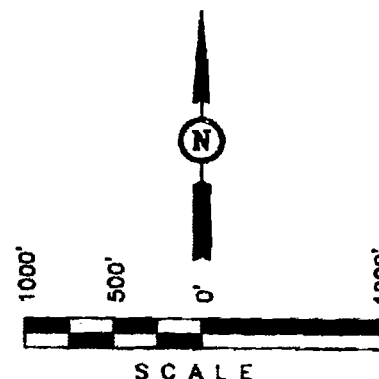
Well location, CWU #1281-27, located as shown in the SE 1/4 NW 1/4 of Section 27, T9S, R22E, S.L.B.&M., Uintah County, Utah.

**BASIS OF ELEVATION**

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE DURAY SE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

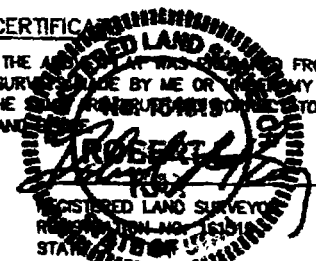
**BASIS OF BEARINGS**

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



**CERTIFICATION**

THIS IS TO CERTIFY THAT THE ABOVE WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE TO THE BEST OF MY KNOWLEDGE AND BELIEF.



REVISED: 08-17-06 S.L.

**UINTAH ENGINEERING & LAND SURVEYING**

**85 SOUTH 200 EAST - VERNAL, UTAH 84078**

(435) 789-1017

**LEGEND:**

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

Δ = SECTION CORNERS RE-ESTABLISHED USING DOUBLE PROPORTION METHOD (Not Set on Ground).

(NAD 83)

LATITUDE = 40°00'38.22" (40.010617)

LONGITUDE = 109°25'41.37" (109.428158)

(NAD 27)

LATITUDE = 40°00'38.35" (40.010653)

LONGITUDE = 109°25'38.91" (109.427475)

SCALE 1" = 1000'	DATE SURVEYED: 07-26-06	DATE DRAWN: 07-31-06
PARTY G.S. B.C. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	

## EIGHT POINT PLAN

### CHAPITA WELLS UNIT 1281-27 SE/NW, SEC. 27, T9S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River FM	1,552'
Wasatch	4,588'
Chapita Wells	5,186'
Buck Canyon	5,846'
North Horn	6,499'
KMV Price River	7,063'
KMV Price River Middle	7,939'
KMV Price River Lower	8,729'
Sego	9,196'

Estimated TD: **9,400' or 200'± below Sego top**

**Anticipated BHP: 5,135 Psig**

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

#### 3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

#### 4. CASING PROGRAM:

	<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
Conductor:	17 1/2"	0' - 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12-1/4"	45' - 2,300'KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production:	7-7/8"	2,300'± TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

**Note:** 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone. **All casing will be new or inspected.**

#### 5. Float Equipment:

##### **Surface Hole Procedure (0' - 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 1281-27**  
**SE/NW, SEC. 27, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**Float Equipment: (Cont'd)**

**Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

**Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

**2300'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PIIPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

**7. VARIANCE REQUESTS:**

**Reference:** Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

**8. EVALUATION PROGRAM:**

**Logs:** Mud log from base of surface casing to TD.  
**Cased-hole Logs:** Cased-hole logs will be run in lieu of open-hole logs consisting of the following:  
**Cement Bond / Casing Collar Locator and Pulsed Neutron**

## **EIGHT POINT PLAN**

### **CHAPITA WELLS UNIT 1281-27** **SE/NW, SEC. 27, T9S, R22E, S.L.B.&M.,** **UINTAH COUNTY, UTAH**

#### **9. CEMENT PROGRAM:**

##### **Surface Hole Procedure (Surface - 2300'±):**

**Lead:** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Floccle mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:** Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Floccle mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Floccle mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:** Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

##### **Production Hole Procedure (2300'± - TD)**

**Lead:** **132 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** **922 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:** The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

#### **10. ABNORMAL CONDITIONS:**

##### **Surface Hole (Surface - 2300'±):**

Lost circulation

##### **Production Hole (2300'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 1281-27**  
**SE/NW, SEC. 27, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

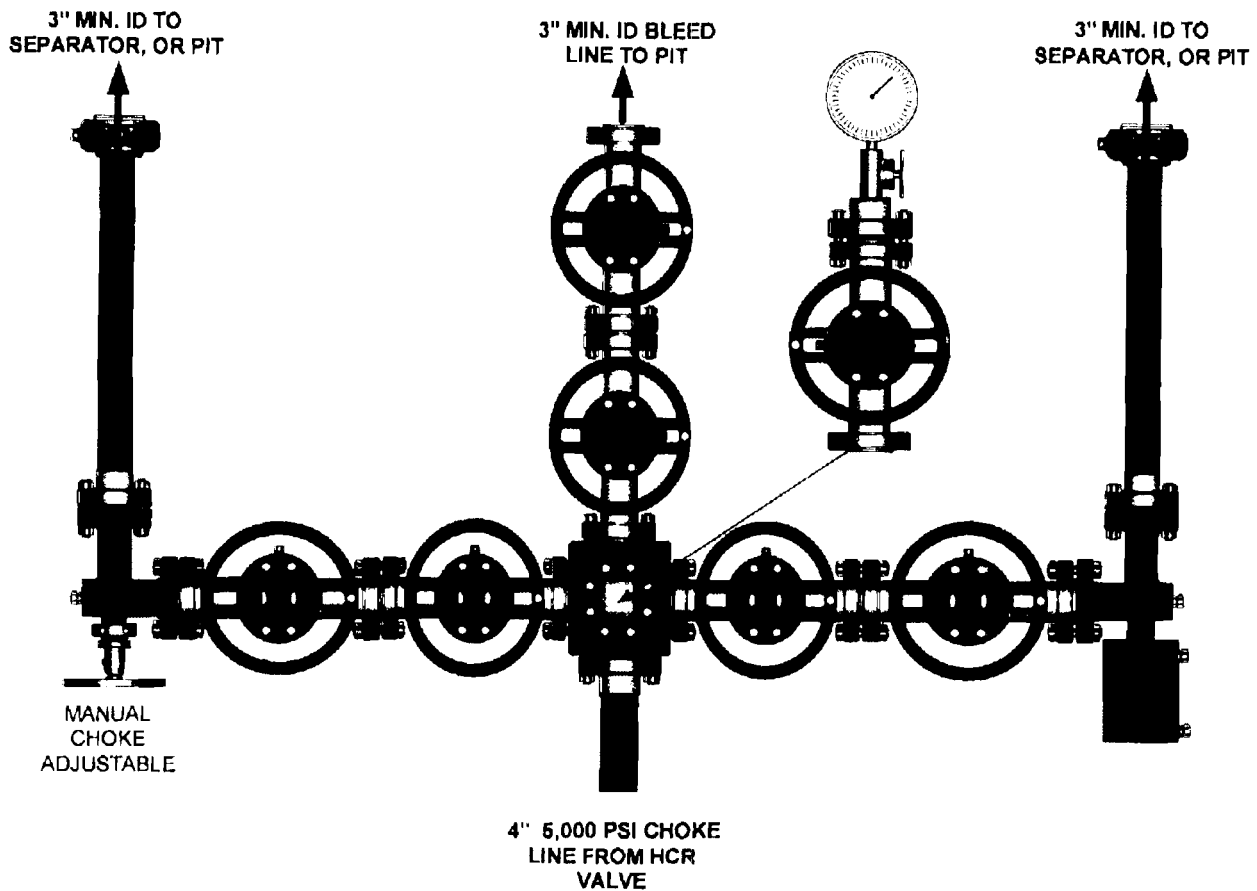
**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

EOG RESOURCES CHOKE MANIFOLD CONFIGURATION  
W/ 5,000 PSI WP VALVES

PAGE 2 OF 2

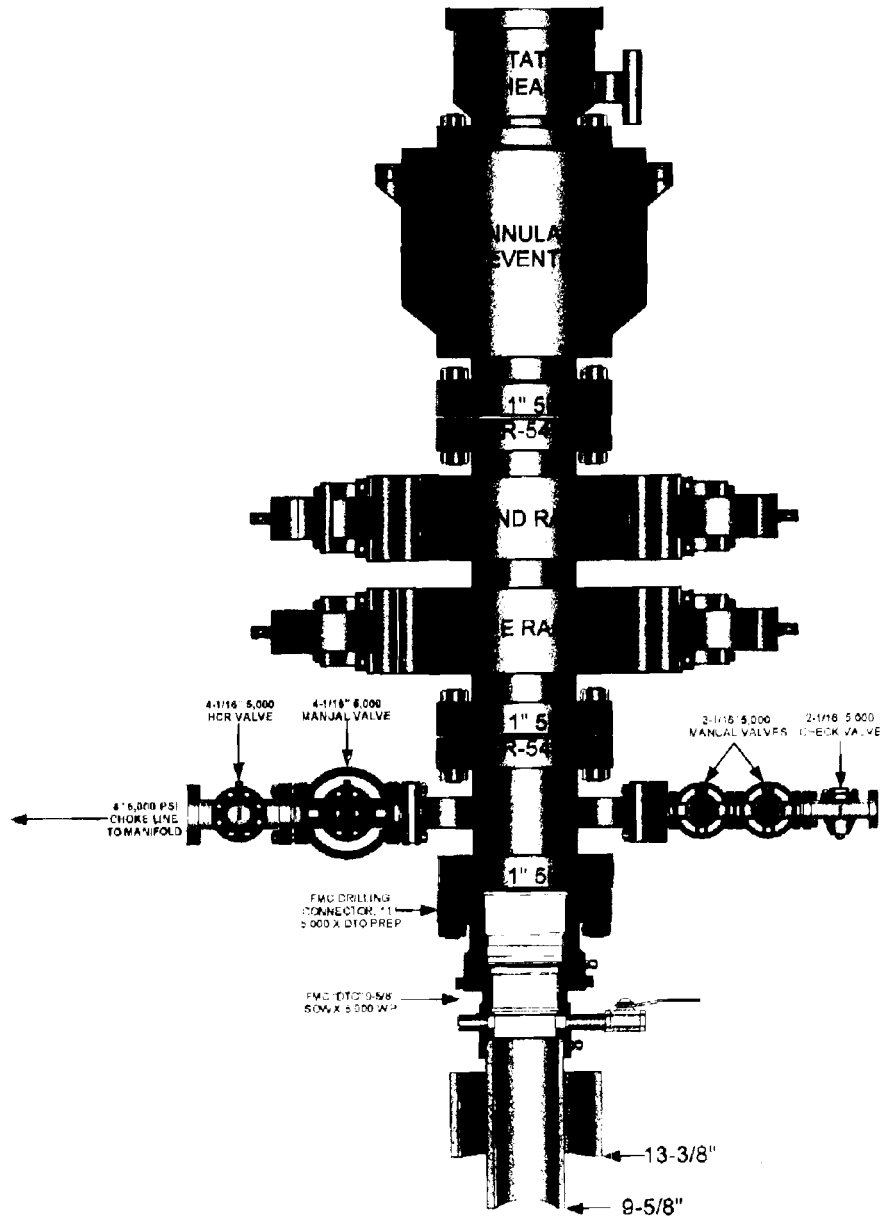


Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.  
Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

**EOG RESOURCES 11" 5,000 PSI W.P. BOP  
CONFIGURATION**

PAGE 1 OF 2







***Chapita Wells Unit 1281-27  
SENW, Section 27, T9S, R22E  
Uintah County, Utah***

***SURFACE USE PLAN***

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 5280 feet long with a 40-foot right-of-way, disturbing approximately 0.48 acres. New surface disturbance associated with the well pad and access road is estimated to be 2.32 acres. The pipeline is approximately 1372 feet long with a 40-foot right-of-way disturbing approximately 0.63 acres.

***1. EXISTING ROADS:***

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 50.3 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

***2. PLANNED ACCESS ROAD:***

- A. The access road will be approximately 528' in length, Culvert's if necessary See attached Topo B.
- B. The access road has a 40-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.
- I. A 40-foot permanent right-of-way is requested. No surfacing material will be used.

- J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 40-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the roadbed block the drainages. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 40-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

No off-lease right-of-way will be required. The entire length of the proposed access road is located within the Chapita Wells Unit.

**3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:**

See attached TOPO map "C" for the location of wells within a one-mile radius.

**4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:**

**A. On Well Pad**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and attaching piping.
2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

**B. Off Well Pad**

1. Proposed pipeline will transport natural gas.
2. The pipeline will be a permanent feeder line.
3. The length of the proposed pipeline is 1372' x 20'. The proposed pipeline leaves the northern edge of the well pad (Lease UTU 0285-A) proceeding in a southerly direction for an approximate distance of 1372' tying into an existing pipeline in the SENW of Section 27, T9S, R22E (Lease UTU 0285-A). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
5. Proposed pipeline will be laid on surface.
6. A 20-foot permanent pipeline right-of-way is requested. A 40-foot temporary pipeline right-of-way for construction purposes is requested, the temporary right-of-way will be utilized for a 10-day period.
7. The proposed pipeline route begins in the SENW of section 27, township 9S, range 22E, proceeding southerly for an approximate distance of 1372' to the SENW of section 27, township 9S, range 22E.
8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All facilities will be painted with Carlsbad Canyon.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

**5. LOCATION AND TYPE OF WATER SUPPLY:**

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT

(State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.

- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

**6. SOURCE OF CONSTRUCTION MATERIALS:**

- A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

**7. METHODS OF HANDLING WASTE DISPOSAL:**

**A. METHODS AND LOCATION**

- 1. Cuttings will be confined in the reserve pit.
  - 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
  - 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
  - 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD, CWU 2-29 SWD or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
  - 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with **double felt**, and a 16-millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or

rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

**8. ANCILLARY FACILITIES:**

None anticipated.

**9. WELL SITE LAYOUT:**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the southwest corner of the location. The flare pit will be located downwind of the prevailing wind direction on the west side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil west of corner #5. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the south.

**FENCING REQUIREMENTS:**

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

**10. PLANS FOR RECLAMATION OF THE SURFACE:**

**A. Interim Reclamation (Producing Location)**

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
HyCrest Wheatgrass	9.0
Prostrate Kochia	3.0

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

#### ***B. Dry Hole/Abandoned Location***

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

<b>Seed Mixture</b>	<b>Drilled Rate (lbs./acre PLS*)</b>
Black Sage	3.0
Shadscale	3.0
Needle and Threadgrass	3.0
HyCrest Wheatgrass	1.0
Scarlet Globe Mallow	1.0

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

#### **11. SURFACE OWNERSHIP:**

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

**Bureau of Land Management**

**12. OTHER INFORMATION:**

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:
- Whether the materials appear eligible for the National Register of Historic Places;
  - The mitigation measures the operator will likely have to undertake before the site can be used.
  - A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for



the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants on October 5, 2006 Report # MOAC 06-454. A paleontological survey was conducted and submitted by Intermountain Paleo on October 3, 2006 Report # IPC 06-263.

**Additional Information:**

The existing reservoir located between corners 2 and 3 shall be re-established diverting water away from the location.

Upon construction if the reservoir below the location is dry, the reservoir shall be cleaned or silt and tamaracks.

***LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:***

**PERMITTING AGENT**

Kaylene R. Gardner  
EOG Resources, Inc.  
P.O. Box 1815  
Vernal, UT 84078  
(435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

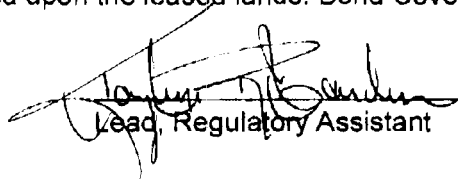
The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

**CERTIFICATION:**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 1281-27 Well, located in the SENW, of Section 27, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

October 25, 2007  
Date

  
Lead, Regulatory Assistant

**EOG RESOURCES, INC.**  
**CWU #1281-27**  
**SECTION 27, T9S, R22E, S.L.B.&M.**

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 1.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN WESTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED WELL LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 50.25 MILES.

# EOG RESOURCES, INC.

## LOCATION LAYOUT FOR

CWU #1281-27  
SECTION 27, T9S, R22E, S.L.B.&M.  
1321' FNL 2070' FWL

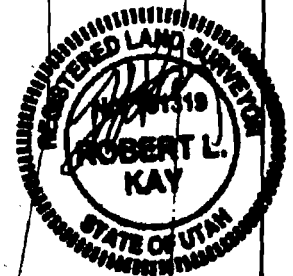
Approx.  
Toe of  
Fill Slope

Sta. 3+25

SCALE: 1" = 50'  
DATE: 08-17-06  
Drawn By: S.L.

### NOTE:

Flare Pit is to be located  
a min. of 100' from the  
Well Head.



CONSTRUCT  
DIVERSION  
DITCH

Sta. 1+50

F-0.1'  
El. 48.4'

Sta. 0+00

Approx.  
Top of  
Cut Slope

C-5.9'  
El. 54.4'

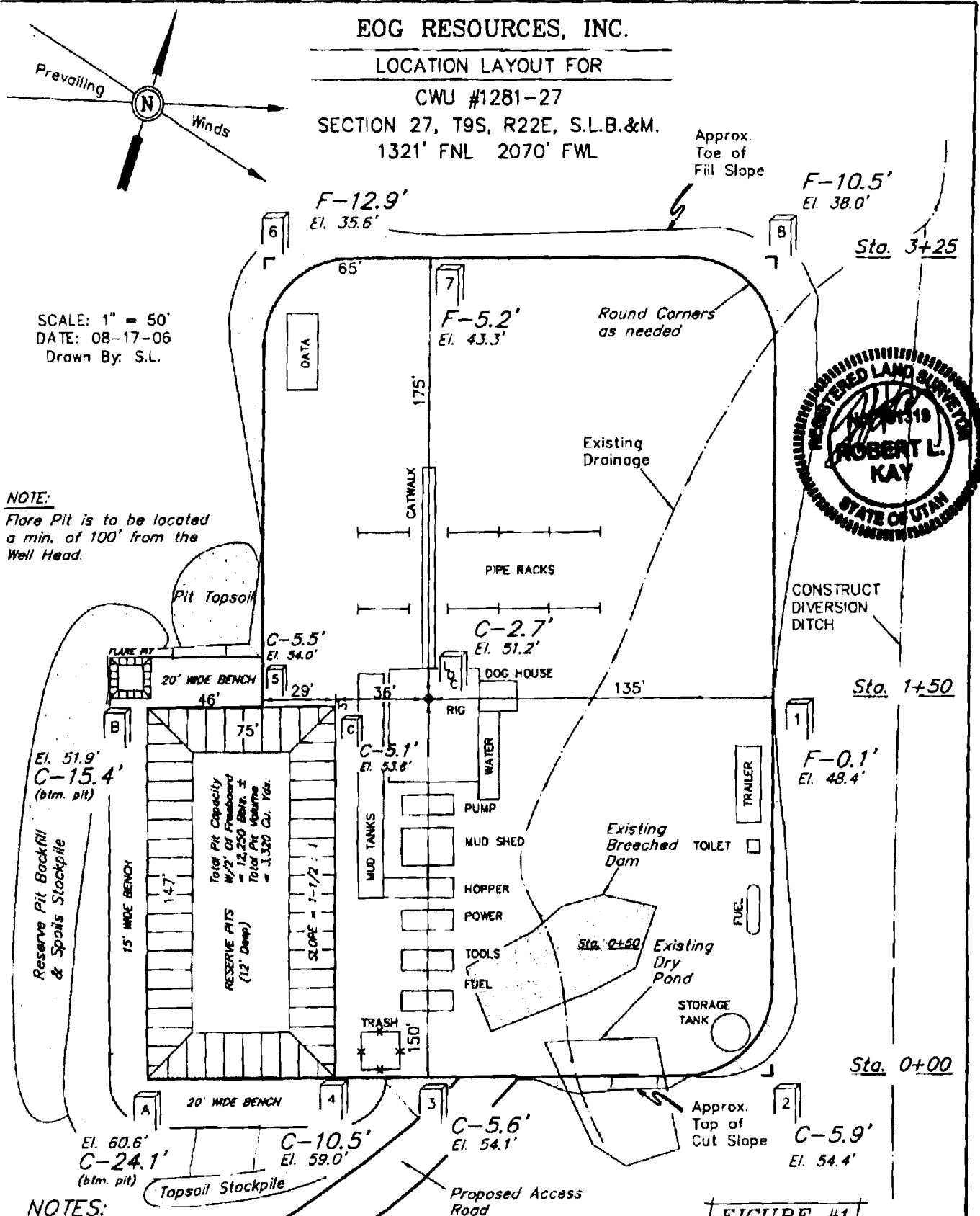
Proposed Access  
Road

FIGURE #1

### NOTES:

Elev. Ungraded Ground At Loc. Stake = 4951.2'  
FINISHED GRADE ELEV. AT LOC. STAKE = 4948.5'

UINTAH ENGINEERING & LAND SURVEYING  
86 So. 200 East • Vernal, Utah 84078 • (435) 788-1017



# EOG RESOURCES, INC.

## TYPICAL CROSS SECTIONS FOR

CWU #1281-27

SECTION 27, T9S, R22E, S.L.B.&M.

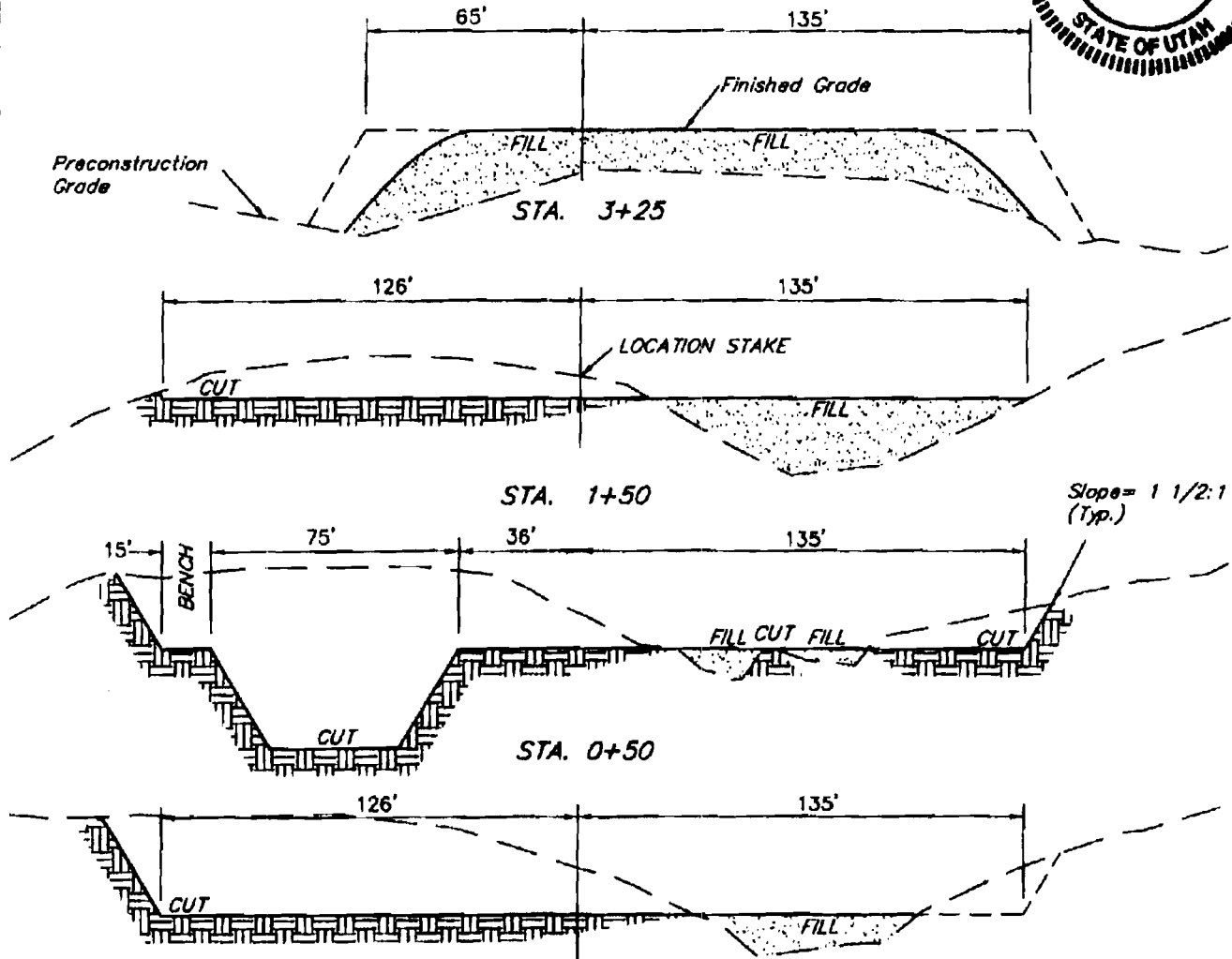
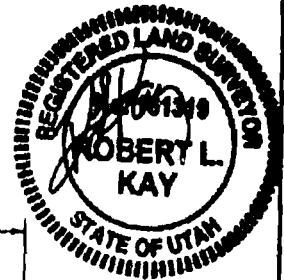
1321' FNL 2070' FWL

FIGURE #2

X-Section  
Scale  
1" = 50'

DATE: 08-17-06

Drawn By: S.L.



### NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

STA. 0+00

### \* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

### APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,700 Cu. Yds.
Remaining Location	= 11,120 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 12,820 CU.YDS.</b>
<b>FILL</b>	<b>= 9,460 CU.YDS.</b>

EXCESS MATERIAL	= 3,360 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,360 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

# EOG RESOURCES, INC.

CWU #1281-27

LOCATED IN UTAH COUNTY, UTAH  
SECTION 27, T9S, R22E, S.1.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

08 03 06  
MONTH DAY YEAR

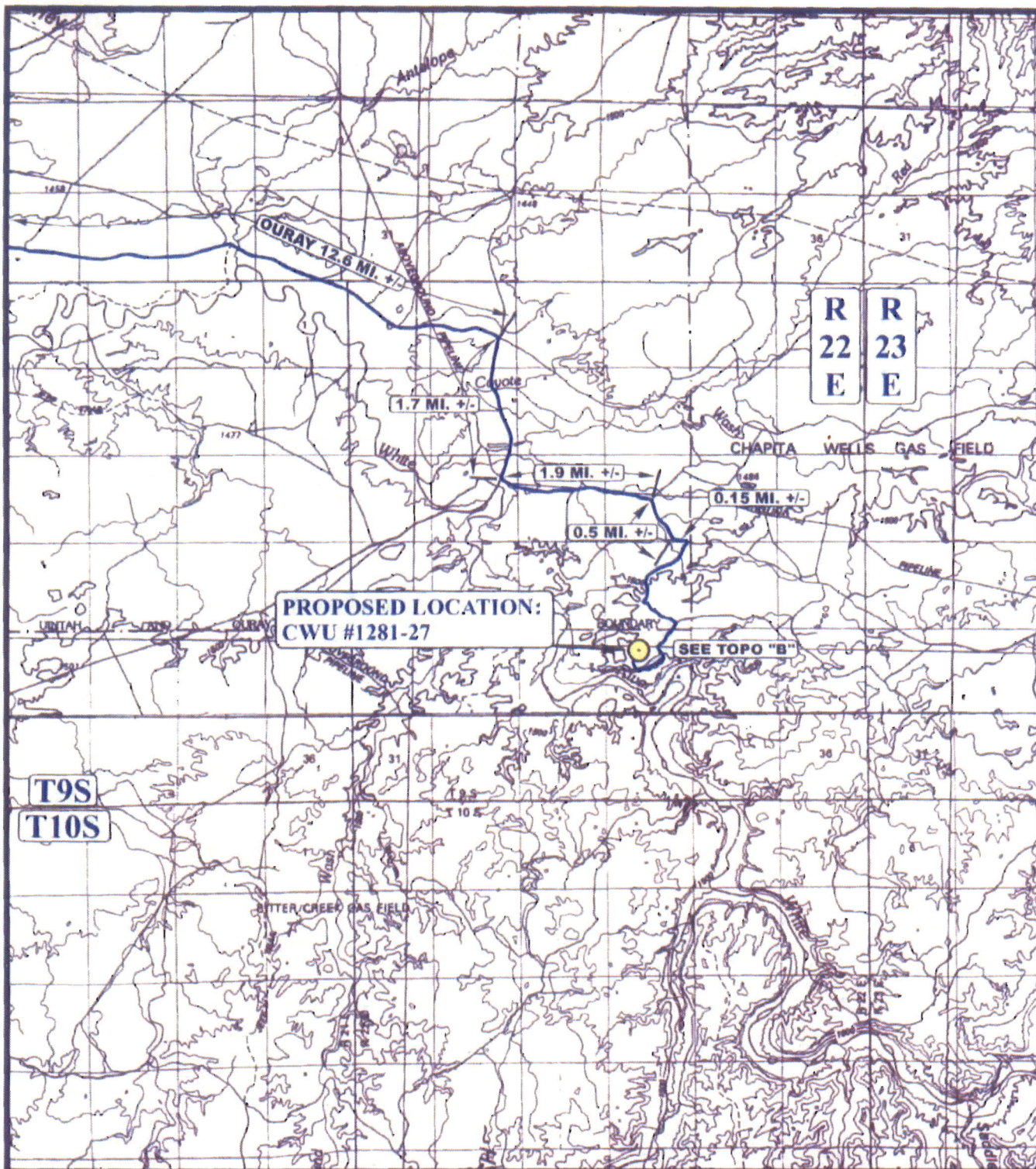
PHOTO

TAKEN BY: G.S.

DRAWN BY: B.C.

REVISED: 08-18-06





# **LEGEND:**

● PROPOSED LOCATION



**EOG RESOURCES, INC.**

CWU #1281-27  
SECTION 27, T9S, R22E, S.L.B.&M.  
1321' FNL 2070' FWL



**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

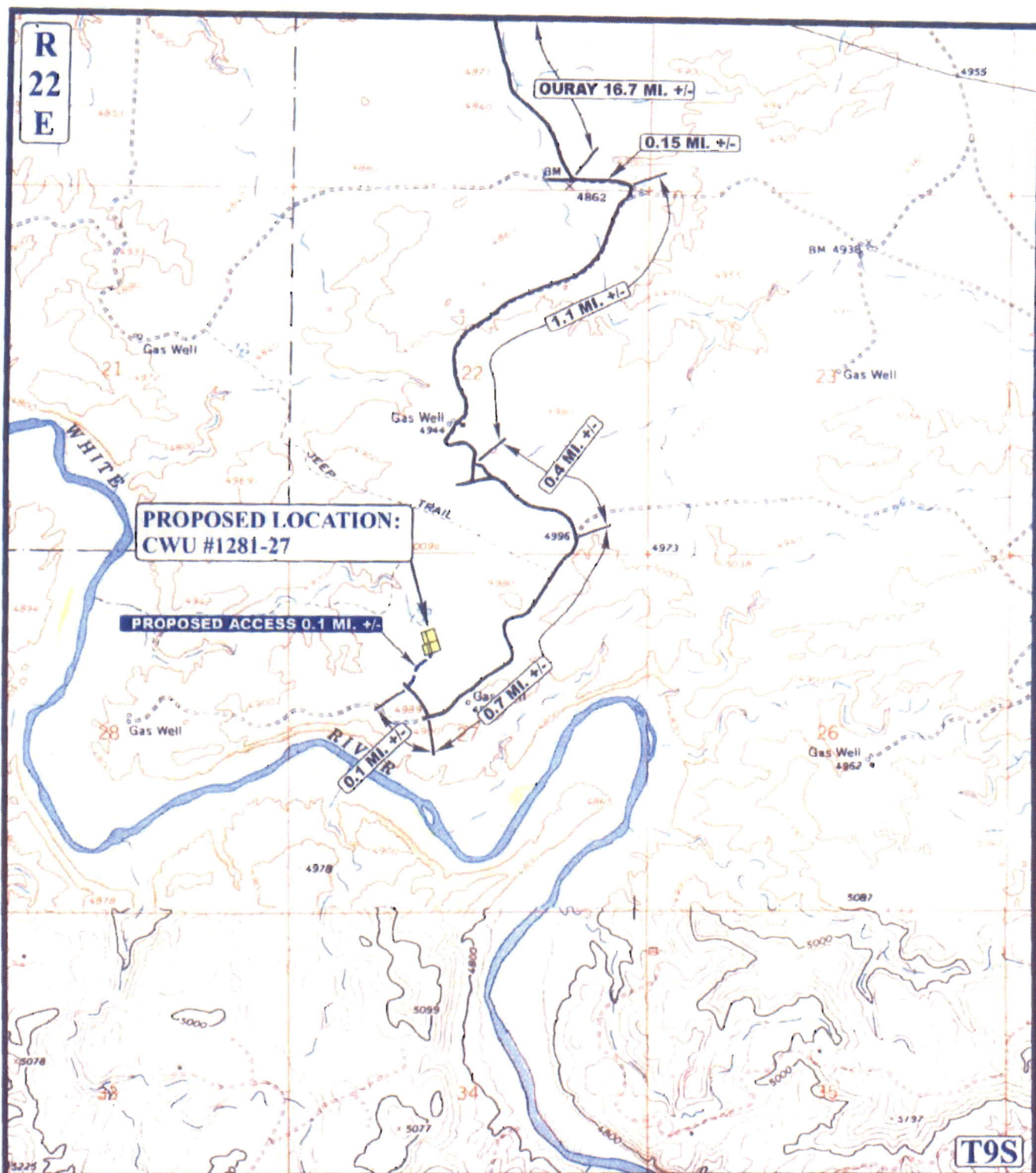
**TOPOGRAPHIC  
MAP**

**08 03 06**  
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: B.C. REVISED: 08-18-06







**LEGEND:**

————— EXISTING ROAD  
 - - - - - PROPOSED ACCESS



**EOG RESOURCES, INC.**

**CWU #1281-27**  
**SECTION 27, T9S, R22E, S.L.B.&M.**  
**1321' FNL 2070' FWL**



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 (435) 789-1017 • FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

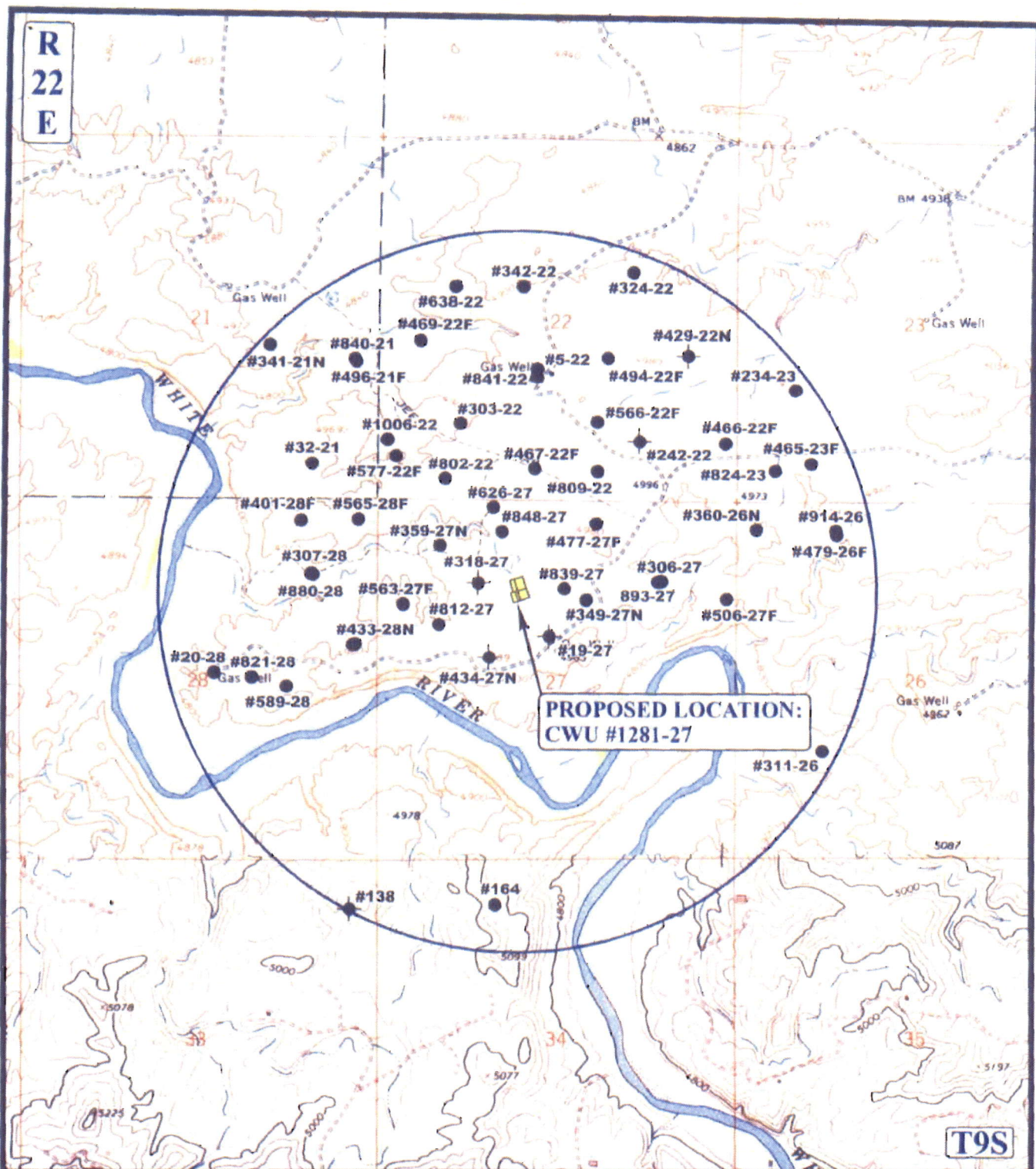
<b>08</b>	<b>03</b>	<b>06</b>
MONTH	DAY	YEAR

SCALE: 1" = 2000' DRAWN BY: B.C. REVISED: 08-18-06

**B**  
**TOPO**



R  
22  
E



PROPOSED LOCATION:  
CWU #1281-27

T9S

**LEGEND:**

- |                   |                         |
|-------------------|-------------------------|
| ○ DISPOSAL WELLS  | ● WATER WELLS           |
| ● PRODUCING WELLS | ● ABANDONED WELLS       |
| ● SHUT IN WELLS   | ● TEMPORARILY ABANDONED |



**EOG RESOURCES, INC.**

CWU #1281-27  
SECTION 27, T9S, R22E, S.L.B.&M.  
1321' FNL 2070' FWL

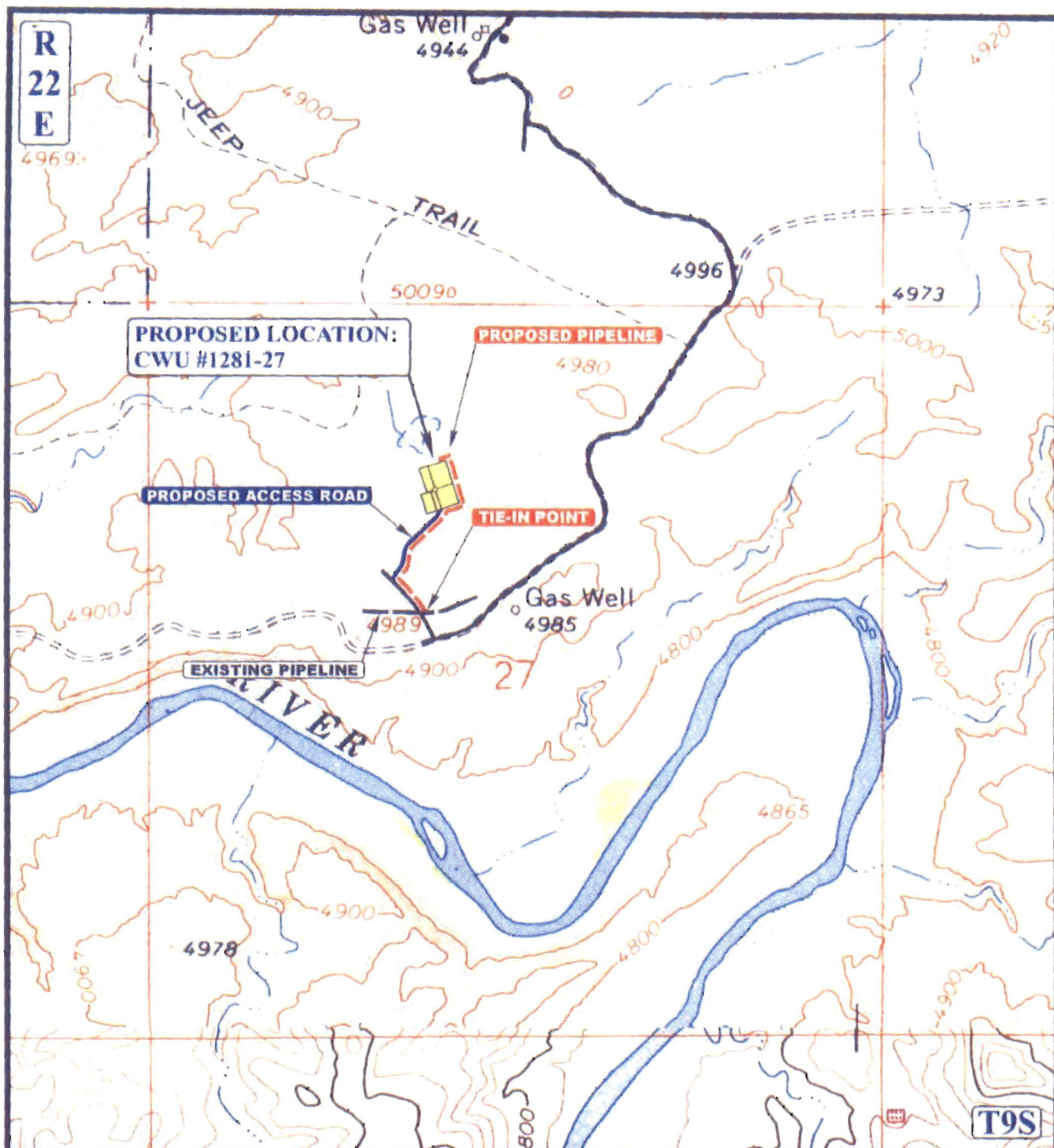


Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC MAP**  
08 03 06  
MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: B.C. REVISED: 08-18-06







**APPROXIMATE TOTAL PIPELINE DISTANCE = 1,372' +/-**

**LEGEND:**

- PROPOSED ACCESS ROAD
- - - EXISTING PIPELINE
- - - PROPOSED PIPELINE
- - - PROPOSED PIPELINE (SERVICING OTHER WELLS)



**EOG RESOURCES, INC.**

**CWU #1281-27**  
**SECTION 27, T9S, R22E, S.L.B.&M.**  
**1321' FNL 2070' FWL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

**08 03 06**  
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: B.C. REVISED: 08-18-06

**D**  
**TOPO**

**WORKSHEET**  
**APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 07/30/2008

API NO. ASSIGNED: 43-047-40266

WELL NAME: CWU 1281-27

OPERATOR: EOG RESOURCES, INC. ( N9550 )

CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

SENW 27 090S 220E

SURFACE: 1321 FNL 2070 FWL

BOTTOM: 1321 FNL 2070 FWL

COUNTY: UINTAH

LATITUDE: 40.01067 LONGITUDE: -109.4275

UTM SURF EASTINGS: 634216 NORTHINGS: 4429915

FIELD NAME: NATURAL BUTTES ( 630 )

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU0285A

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat  
☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. NM 2308 )  
N Potash (Y/N)  
Y Oil Shale 190-5 (B) or 190-3 or 190-13  
☒ Water Permit  
(No. 49-225 )  
N RDCC Review (Y/N)  
(Date: )  
N/A Fee Surf Agreement (Y/N)  
N/A Intent to Commingle (Y/N)

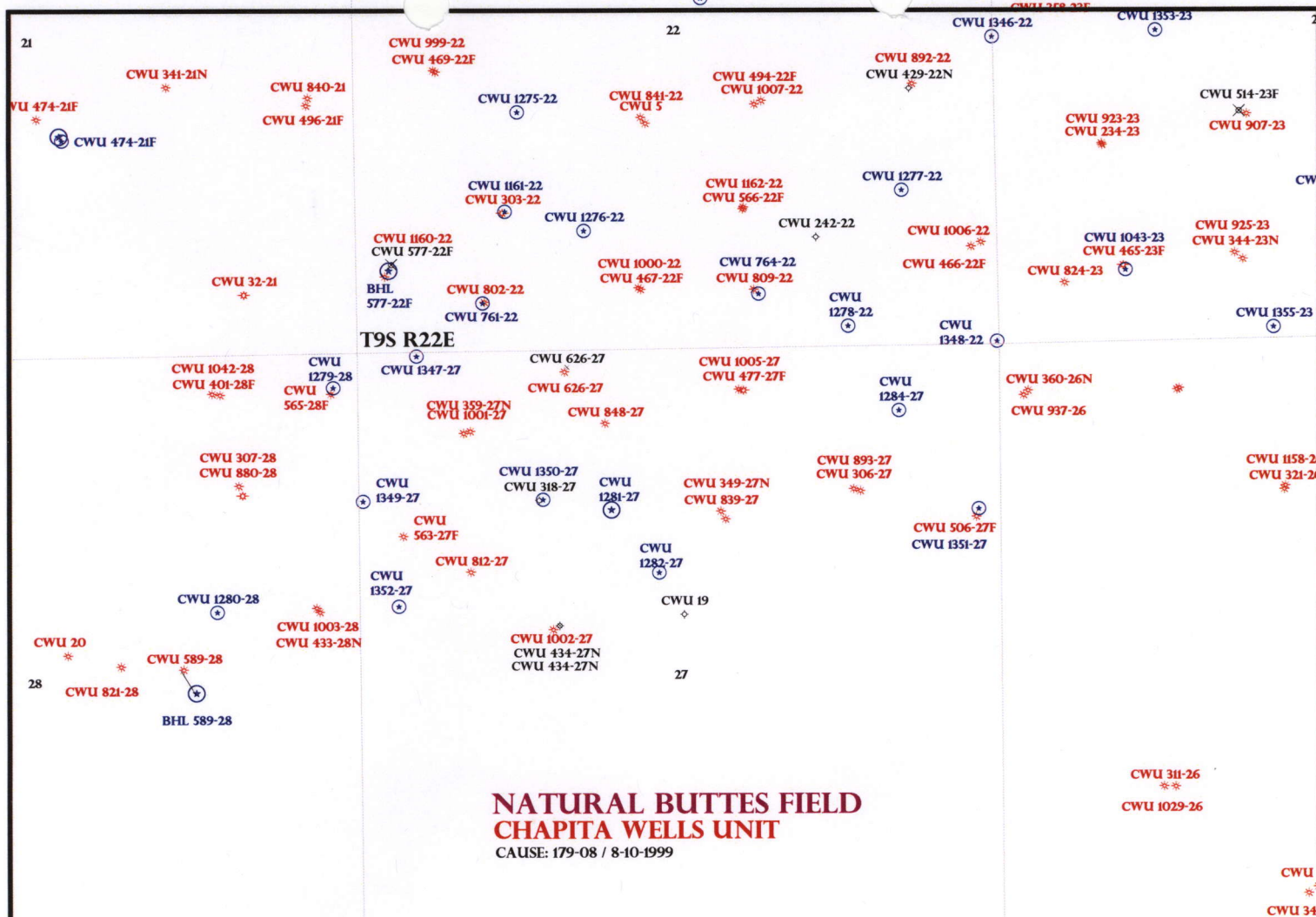
LOCATION AND SITING:

     R649-2-3.  
Unit: CHAPITA WELLS  
     R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells  
     R649-3-3. Exception  
☒ Drilling Unit  
Board Cause No: 179.8  
Eff Date: 8-10-1999  
Siting: Suspends from Siting  
     R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: \_\_\_\_\_

*Indefinite Approval*  
*2 - Oil Shale*



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 27 T.9S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 179-08 / 8-10-1999

**Field Status**

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

**Unit Status**

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

**Wells Status**

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



PREPARED BY: DIANA MASON  
DATE: 30-JULY-2008

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:  
3160  
(UT-922)

July 31, 2008

### Memorandum

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2008 Plan of Development Chapita Wells Unit Uintah  
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following well is planned for calendar year 2008 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Price River)

43-047-40266 CWU 1281-27 Sec 27 T09S R22E 1321 FNL 2070 FWL

This office has no objection to permitting the well at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit  
Division of Oil Gas and Mining  
Central Files  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:7-31-08





JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

July 31, 2008

EOG Resources, Inc.  
1060 East Highway 40  
Vernal, UT 84078

Re: Chapita Wells Unit 1281-27 Well, 1321' FNL, 2070' FWL, SE NW, Sec. 27, T. 9 South,  
R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40266.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal Office

**Operator:** EOG Resources, Inc.  
**Well Name & Number** Chapita Wells Unit 1281-27  
**API Number:** 43-047-40266  
**Lease:** UTU0285A

**Location:** SE NW                      **Sec.** 27                      **T.** 9 South                      **R.** 22 East

### **Conditions of Approval**

**1. General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

**2. Notification Requirements**

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office      (801) 733-0983 home

**3. Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

**4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.**

**5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.**



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

OCT 25 2007

FORM APPROVED  
OMB No. 1004-0136  
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

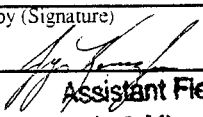
BLM

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU0285A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES INC		7. If Unit or CA Agreement, Name and No. UTU63013A1
Contact: KAYLENE R GARDNER E-Mail: KAYLENE_GARDNER@EOGRESOURCES.COM		8. Lease Name and Well No. CWU 1281-27
3a. Address 1060 EAST HIGHWAY 40 VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-9111	9. API Well No. 43 047 40266
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NENW 1300FNL 2070FWL 40.01062 N Lat, 109.42816 W Lon At proposed prod. zone NENW 1300FNL 2070FWL 40.01062 N Lat, 109.42816 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 50.3 MILES SOUTH OF VERNAL UTAH		11. Sec., T., R., M., or Blk. and Survey or Area Sec 27 T9S R22E Mer SLB SME: BLM
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1321	16. No. of Acres in Lease 1800.00	12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth 9400 MD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4951 GL	22. Approximate date work will start	17. Spacing Unit dedicated to this well
23. Estimated duration 45 DAYS		20. BLM/BIA Bond No. on file NM2308

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) KAYLENE R GARDNER Ph: 435-781-9111	Date 10/25/2007
Title LEAD REGULATORY ASSISTANT		
Approved by (Signature) 	Name (Printed/Typed) Terry Kovacs	Date SEP 17 2008
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Electronic Submission #56908 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal  
Committed to AFMSS for processing by CINDY SEVERSON on 10/26/2007 (08CXS0036AE)

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

RECEIVED

SEP 23 2008

DIV. OF OIL, GAS & MINING

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*

NOS 8/21/06  
004W1657A



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

Company: E.O.G. Resources Inc.  
Well No: CWU 1281-27  
API No: 43-047-

Location: NENW, Sec. 27, T9S, R22E  
Lease No: UTU-0285A  
Agreement: Chapita Wells Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	(435) 828-4029
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

Fax: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

**NOTIFICATION REQUIREMENTS**

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

***SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)***

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.
- If Uinta Basin hookless cactus, White River beardtongue, Graham's beardtongue or other special status plants are found, construction shall cease and the AO shall be notified to determine the appropriate mitigation.
- The operator shall control noxious weeds along access road use authorizations, pipeline route authorizations, rights-of-way, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the BLM weeds specialist or the appropriate County Extension Office. On BLM administered land, it is required that a Pesticide Use Proposal (PUP) be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals.
- No vehicle travel, construction or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support vehicles and/or construction equipment. If such equipment creates ruts in excess of four inches deep, the soil shall be deemed too wet to adequately support construction equipment.
- The authorized officer may prohibit surface disturbing activities during severe winter, wet, or muddy conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
- The access road shall be crowned and ditched. Flat-bladed roads are not allowed.
- If additional erosion occurs during the life of this project, more culverts, low water crossings, berms, wing ditches or etc. shall be needed to control the erosion. Low-water crossings shall be appropriately constructed to avoid sedimentation of drainage ways and other water resources.
- Pipelines shall be buried at all major drainage crossings.
- Prevent fill and stock piles from entering drainages.

The reserve pit shall be lined with **16 ml** or greater liner to prevent pit leakage and at least **polyswell** and **double felt liner to prevent pit leakage** prior to spudding.

- All open pits shall be properly fenced and maintained during operations and until the pits are backfilled. When the reserve pit contains fluids or toxic substances, the operator must ensure that animals do not ingest or become entrapped in pit fluids.
- The reserve pit shall be free of oil and other liquids and solid wastes, allowed to dry, be pumped dry, or solidified in-situ prior to backfilling. The reserve pit must not be "squeezed", (filled with

soil while still containing fluids) or cut (puncturing the pit liner while still containing fluids to allow pit fluids to drain from the pit).

- The pit liner is to be cut 5 feet below ground surface or at the level of the cuttings, whichever is deeper, and the excess liner material is to be disposed of at an authorized disposal site.

All permanent facilities, not regulated by OSHA, shall be painted the same color, Carlsbad Canyon, within six months of installation.

- During construction the topsoil from the location shall be stripped and windrowed separately from the other excess material. The topsoil windrows shall be re-seeded using the interim seed mix and track walked or drag chained at the time the location is constructed. The topsoil removed from the pit area shall be stored separately and will not be re-seeded until the pit is reclaimed. When the reserve pit is closed, it shall be re-contoured and the topsoil re-spread, and the area shall be seeded using the interim seed mix listed below.
- Upon well completion, the well pad location up to the deadmen, shall be recontoured to the approximate natural contours and the stockpiled topsoil shall be spread evenly over the reclaimed area and then re-seeded using the interim seed mix.

- Reclamation:

Interim seed mix:

Hy-crest Crested Wheatgrass	9 lbs/acre
Kochia	3 lbs/acre

Final reclamation seed mix:

Hy-crest Crested Wheatgrass	1 lbs/acre
scarlet globemallow	1 lbs/acre
Needle and thread	3 lbs/acre
Black sagebrush	3 lbs/acre
Shadscale saltbush	3 lbs/acre

- All pounds are in pure live seed.
  - All seed and mulch shall be certified weed free.
  - Drill seeding is the preferred method.
  - Rates are set for drill seeding; double the rate if broadcasting.
  - If broadcasting seed: The seed shall be walked into the soil with a dozer immediately after the seeding is completed, or covered by soil using a drag chain.
  - Reseeding shall be required if initial seeding is not successful.
- Once the location is plugged and abandoned, the well location and access road shall be recontoured to the natural topography, topsoil shall be respread, and the entire location and access road shall be seeded with the final reclamation seed mix. Seed application shall follow all guidelines in the final reclamation seed mix bullet statement above. If reclamation seeding shall take place using the broadcast method, the seed at a minimum shall be walked into the soil with a dozer, immediately after the seeding is completed, or covered by soil using a drag chain.
- Build construction catchment basin above corner #2 and divert water around the site.

- Clean out pond below site if conditions are not too wet.
- Red-tailed Hawk nest within 0.45 miles of the site No construction, drilling or fracing during **April 1 to July 15.**
- Golden eagle nest within 0.16 miles of the site No construction, drilling or fracing during **Feb 1 to Aug 31.**

**DOWNHOLE PROGRAM  
CONDITIONS OF APPROVAL (COAs)**

**SITE SPECIFIC DOWNHOLE COAs:**

- A surface casing shoe integrity test shall be performed.
- A variance is granted for Onshore Order #2-Drilling Operations III. E. "Blooie line discharge 100 feet from well bore and securely anchored" Blooie line can be 75 feet.
- Production casing cement shall be at a minimum 200 feet inside the surface casing. A CBL shall be run from TD to top of cement and a field copy shall be sent to this field office.

**All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to.** The following items are emphasized:

**DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB

or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

## OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid,



and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

## DIVISION OF OIL, GAS AND MINING

### ***SPUDDING INFORMATION***

Name of Company: EOG RESOURCES INC

Well Name: CWU 1281-27

Api No: 43-047-40266 Lease Type: FEDERAL

Section 27 Township 09S Range 22E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # RATHOLE

### **SPUDDED:**

Date 11/12/08

Time 4:00 PM

How DRY

***Drilling will Commence:*** \_\_\_\_\_

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 11/12/08 Signed CHD

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: EOG RESOURCES Operator Account Number: N 9550  
Address: 1060 East Highway 40  
city VERNAL  
state UT zip 84078 Phone Number: (435) 781-9145

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39900	CHAPITA WELLS UNIT 1357-24		SENW	24	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>AB</u>	99999	<u>13650</u>	11/12/2008			<u>11/25/08</u>	
Comments: <u>MESAVERDE</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39914	CHAPITA WELLS UNIT 1375-29		SWSE	29	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>AB</u>	99999	<u>13650</u>	11/12/2008			<u>11/25/08</u>	
Comments: <u>MESAVERDE</u>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-40266	CHAPITA WELLS UNIT 1281-27		NENW	27	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>AB</u>	99999	<u>13650</u>	11/12/2008			<u>11/25/08</u>	
Comments: <u>PRRU = MESAVERDE</u>							

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

Title

11/14/2008

Date

**RECEIVED**

**NOV 17 2008**

(5/2000)

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.**5. Lease Serial No.  
UTU0285A

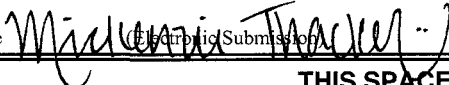
6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**7. If Unit or CA/Agreement, Name and/or No.  
CHAPITA WELLS8. Well Name and No.  
CHAPITA WELLS UNIT 1281-279. API Well No.  
43-047-4026610. Field and Pool, or Exploratory  
NATURAL BUTTES11. County or Parish, and State  
UINTAH COUNTY, UT**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Well Spud
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was spud on 11/12/2008.

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #64783 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal	
Name (Printed/Typed) MICKENZIE THACKER	Title OPERATIONS CLERK
Signature 	Date 11/14/2008

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*****RECEIVED**

NOV 18 2008

DIV. OF OIL, GAS &amp; MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.**5. Lease Serial No.  
UTU0285A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
CHAPITA WELLS8. Well Name and No.  
CHAPITA WELLS UNIT 1281-279. API Well No.  
43-047-4026610. Field and Pool, or Exploratory  
NATURAL BUTTES11. County or Parish, and State  
UINTAH COUNTY, UT**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

## 1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator  
EOG RESOURCES, INC.Contact: MARY A. MAESTAS  
E-Mail: mary\_maestas@eogresources.com3a. Address  
600 17TH STREET SUITE 1000N  
DENVER, CO 802023b. Phone No. (include area code)  
Ph: 303-824-5526

## 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 27 T9S R22E SENW 1321FNL 2070FWL  
40.01062 N Lat, 109.42816 W Lon

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Production Start-up
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 1/16/2009. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #66506 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature



Date 01/21/2009

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**RECEIVED****\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED JAN 26 2009**

DIV. OF OIL, GAS &amp; MINING

# WELL CHRONOLOGY REPORT

Report Generated On: 01-21-2009

<b>Well Name</b>	CWU 1281-27	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-40266	<b>Well Class</b>	COMP
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	12-07-2008	<b>Class Date</b>	
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,400/ 9,400	<b>Property #</b>	059650
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	4,968/ 4,949				
<b>Location</b>	Section 27, T9S, R22E, SENW, 1321 FNL & 2070 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	55.686	<b>NRI %</b>	47.671

<b>AFE No</b>	304208	<b>AFE Total</b>	1,825,900	<b>DHC / CWC</b>	880,700/ 945,200
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #34	<b>Start Date</b>	08-29-2008
<b>08-29-2008</b>	<b>Reported By</b>	SHEILA MALLOY			
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			1321' FNL & 2070' FWL (SE/NW)
			SECTION 27, T9S, R22E
			UINTAH COUNTY, UTAH
			LAT 40.010617, LONG 109.428158 (NAD 83)
			LAT 40.010653, LONG 109.427475 (NAD 27)
			TRUE #34
			OBJECTIVE: 9400' TD, MESAVERDE
			DW/GAS
			CHAPITA WELLS DEEP PROSPECT
			DD&A: CHAPITA DEEP
			NATURAL BUTTES FIELD
			LEASE: U-0285-A
			ELEVATION: 4951.2' NAT GL, 4948.5' PREP GL (DUE TO ROUNDING PREP GL WILL BE 4949') 4968' KB (19')
			EOG WI 55.6856%, NRI 47.67131%

10-17-2008      Reported By      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Daily Total</b>	\$75,000
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION STARTED.

10-20-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 20% COMPLETE.

10-21-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 40% COMPLETE.

10-22-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION 50% COMPLETE.

10-23-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKED OUT. DRILLING ROCK.

10-24-2008 Reported By TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILD LOCATION</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	DRILLING ROCK.		

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**10-27-2008**      **Reported By**      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILD LOCATION</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	DRILLING ROCK.		

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**10-28-2008**      **Reported By**      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILD LOCATION</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	SHOOTING WEDNESDAY.		

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**10-29-2008**      **Reported By**      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILD LOCATION</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	SHOOTING THURSDAY.		

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**10-30-2008**      **Reported By**      TERRY CSERE

<b>DailyCosts: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	
<b>Activity at Report Time: BUILD LOCATION</b>					
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>		
06:00	06:00	24.0	SHOOTING TODAY.		

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**10-31-2008**      **Reported By**      TERRY CSERE



<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

11-03-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

11-04-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT.

11-05-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT AND LOCATION.

11-06-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT AND LOCATION.

11-07-2008 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT AND LOCATION.

11-10-2008      Reported By      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	PUSHING OUT PIT AND LOCATION.

11-11-2008      Reported By      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TOMORROW.

11-12-2008      Reported By      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LINE TODAY.

11-13-2008      Reported By      TERRY CSERE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$75,000	<b>Completion</b>	\$0	<b>Well Total</b>	\$75,000
<b>MD</b>	60	<b>TVD</b>	60	<b>Progress</b>	0
<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION COMPLETE. CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 11/12/08 @ 4:00 PM. SET 60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 11/12/08 @ 3:00 PM.

11-22-2008 Reported By BRIAN ROW

Daily Costs: Drilling \$261,612 Completion \$0 Daily Total \$261,612

Cum Costs: Drilling \$336,612 Completion \$0 Well Total \$336,612

MD 2,406 TVD 2,406 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #3 ON 11/16/08. DRILLED 12-1/4" HOLE TO 2387' G.L. (2456' K.B.). FLUID DRILLED HOLE FROM 1878' W/GOOD RETURNS. RAN 56 JTS (2376.38') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH HALLIBURTON GUIDESHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2395' KB. RAN 200' OF 1" PIPE DOWN BACK SIDE. RDMO CRAIGS RIG #3.

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 2200 PSIG. PUMPED 184 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 250 SX (183 BBLs) OF PREMIUM LEAD CEMENT W/0.2% VARSET, 2% CALSEAL, & 2% EX-1. MIXED LEAD CEMENT @ 10.5 PPG W/YIELD OF 4.1 CF/SX.

TAILED IN W/300 SX (63 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED TAIL CEMENT TO 15.6 PPG W/YIELD OF 1.18 CFS. DISPLACED CEMENT W/181 BBLs FRESH WATER. BUMPED PLUG W/602# @ 8:00 P.M. 11-20-2008. CHECKED FLOAT, FLOAT DID NOT HOLD. SHUT IN CASING VALVE. BROKE CIRCULATION 14 BBLs INTO FRESH WATER FLUSH. LOST CIRCULATION 150 BBLs INTO DISPLACEMENT. NO CEMENT TO SURFACE.

TOP JOB #1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (21 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 48 MINUTES.

TOP JOB #2: MIXED & PUMPED 125 SX (26 BBLs) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO HALLIBURTON.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

CRAIGS RIG #3 TOOK SURVEYS WHILE DRILLING HOLE @ 1217'-1.0 DEGREE & 2358'-1.0 DEGREE.

CONDUCTOR LEVEL RECORD: PS= 90.0 OPS= 89.9 VDS= 90.0 MS= 89.9.

9 5/8 CASING LEVEL RECORD: PS= 89.8 OPS= 89.9 VDS= 89.9 MS= 89.8.

KYLAN COOK EMAILED NOTIFICATION TO BLM OF THE SURFACE CASING & CEMENT JOB ON 11-17-08 @ 12:06 P.M.

12-03-2008 Reported By BRIAN DUTTON

Daily Costs: Drilling \$27,283 Completion \$0 Daily Total \$27,283

Cum Costs: Drilling \$363,895 Completion \$0 Well Total \$363,895

MD 2,406 TVD 2,406 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RURT. MODIFY SUB-STRUCTURE

Start	End	Hrs	Activity Description
06:00	08:00	2.0	RIG DOWN ROTARY TOOLS, PREPARE RIG FOR TRUCKS.

08:00 15:00 7.0 HELD SAFETY MEET WITH RIG MOVERS AND RIG CREWS, RDRT AND MOVE TRUE #34 FROM CWU 1341-15 TO CWU 1281-27. SET MATTS AND RELEASED TRUCKS @ 1430 HRS.  
15 MEN @ 9 HRS.= 90 MAN HRS.

15:00 17:00 2.0 WELDERS PREPARING SUBSTRUCTURE FOR WALKING SYSTEM.

17:00 06:00 13.0 OPERATION SUSPENDED FOR NIGHT, COMMENCE OPERATIONS @ 0600.

TRANSFERRED 1 JT (43.03) 4.5" 11.6# N80 LTC CASING FROM CWU 1341-15.  
TRANSFERRED 1 MARKER JTS(20.99) 4.5" 11.6# HCP-110 CASING FROM CWU 1341-15.  
TRANSFERRED 3 JT (129.03) 4.5" 11.6# N-80 LTC CASING BAD PIN FROM CWU 1341-15.  
TRANSFERRED 2280 GALS DIESEL FROM CWU 1341-15.  
MOVE FROM CWU 1341-15 IS APPROXIMATELY 2.0 MILES.

**12-04-2008**      **Reported By**      BRIAN DUTTON

<b>Daily Costs: Drilling</b>	\$21,706	<b>Completion</b>	\$0	<b>Daily Total</b>	\$21,706
<b>Cum Costs: Drilling</b>	\$385,601	<b>Completion</b>	\$0	<b>Well Total</b>	\$385,601

**MD**      2,406      **TVD**      2,406      **Progress**      0      **Days**      0      **MW**      0.0      **Visc**      0.0

**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0**

**Activity at Report Time:** PREPARE RIG FOR WALKING SYSTEM.

Start	End	Hrs	Activity Description
06:00	18:00	12.0	WELDERS PREPARING SUBSTRUCTURE FOR WALKING SYSTEM.
18:00	06:00	12.0	OPERATION SUSPENDED FOR NIGHT, COMMENCE OPERATIONS @ 0600.

NO ACCIDENTS. SAFETY MEETING EYE PROTECTION WHILE WELDING.  
10 MEN @ 95 MAN HOURS.

**12-05-2008**      **Reported By**      BRIAN DUTTON

<b>Daily Costs: Drilling</b>	\$21,706	<b>Completion</b>	\$0	<b>Daily Total</b>	\$21,706
<b>Cum Costs: Drilling</b>	\$407,307	<b>Completion</b>	\$0	<b>Well Total</b>	\$407,307

**MD**      2,406      **TVD**      2,406      **Progress**      0      **Days**      0      **MW**      0.0      **Visc**      0.0

**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0**

**Activity at Report Time:** REPAIR ROTARY BEAMS

Start	End	Hrs	Activity Description
06:00	07:00	1.0	OPERATION SUSPENDED FOR NIGHT, COMMENCE OPERATIONS @ 0700.
07:00	17:00	10.0	WELDERS MODIFY SUBSTRUCTURE AND FIX ROTARY BEAMS. HELD SAFETY MEETING WITH RIG CREW AND WELDERS PRIOR TO JOB.
17:00	06:00	13.0	OPERATION SUSPENDED FOR NIGHT, COMMENCE OPERATIONS @ 0700.

NO ACCIDENTS. SAFETY MEETING HELPING WELDERS GRIND.  
10 MEN @ 87 MAN HOURS.

**12-06-2008**      **Reported By**      BRIAN DUTTON

<b>Daily Costs: Drilling</b>	\$21,706	<b>Completion</b>	\$0	<b>Daily Total</b>	\$21,706
<b>Cum Costs: Drilling</b>	\$429,013	<b>Completion</b>	\$0	<b>Well Total</b>	\$429,013

**MD**      2,406      **TVD**      2,406      **Progress**      0      **Days**      0      **MW**      0.0      **Visc**      0.0

**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0**

**Activity at Report Time:** REPAIR ROTARY BEAMS

Start	End	Hrs	Activity Description
06:00	07:00	1.0	OPERATION SUSPENDED FOR NIGHT, COMMENCE OPERATIONS @ 0700.
07:00	17:00	10.0	HELD SAFETY MEETING WITH CREWS AND WELDERS. WELDERS REPAIR ROTARY BEAMS.
17:00	06:00	13.0	OPERATION SUSPENDED FOR NIGHT, COMMENCE OPERATIONS @ 0700.
NO ACCIDENTS. SAFETY MEETING HELPING FIRE WATCH WHILE WELDING.			
11 MEN @ 88 MAN HOURS.			
TRUCKS 0700 HRS 12/6/08 TO RURT.			

12-07-2008 Reported By BRIAN DUTTON

DailyCosts: Drilling \$55,982 Completion \$0 Daily Total \$55,982

Cum Costs: Drilling \$484,996 Completion \$0 Well Total \$484,996

MD 2,440 TVD 2,440 Progress 30 Days 1 MW 0.0 Visc 0.0

Formation : PBTD : 0.0

Perf :

PKR Depth : 0.0

Activity at Report Time: DRILLING @ 2,440'

Start	End	Hrs	Activity Description
06:00	07:00	1.0	OPERATION SUSPENDED FOR NIGHT, COMMENCE OPERATIONS @ 0700.
07:00	19:00	12.0	HELD SAFETY MEETING W/RIG CREWS & RIG MOVERS. RURT ON CWU 1281-27 RAISE DERRICK @ 1400 HRS, RELEASED TRUCKS @ 1430 HRS CONTINUE TO RURT.
19:00	23:30	4.5	RIG ACCEPTED FOR DAYWORK @ 1900 HRS 12/6/08. TESTED BOPE(ALL RAMS, VALVES, & CHOKE MANIFOLD 250/5000 PSI, ANNULAR 250/2500 PSI, CASING 1500 PSI). NO BLM WITNESS, BLM NOTIFIED VIA EMAIL @ 1100 HRS 12/5/08.
23:30	01:00	1.5	INSTALL WEAR BUSHING. RU WEATHERFORD LD MACHINE. HELD SAFETY MEETING.
01:00	03:00	2.0	PU BHA & DP. TAGGED @ 2,340'.
03:00	03:30	0.5	RD WEATHERFORD LD MACHINE.
03:30	04:00	0.5	TORQUED KELLY. INSTALLED ROTATING HEAD RUBBER & DRIVE BUSHING.
04:00	05:00	1.0	DRILL CEMENT/FLOAT EQUIP. F/2,340' TO 2,410'.
05:00	05:30	0.5	PERFORMED F.I.T. @ 2,415' TO 10.6 PPG EMW(270 PSI).
05:30	06:00	0.5	DRILLED 2,410 TO 2,440' (30' @ 60.0 FPH), WOB 10-20K, GPM 439, RPM 35-50/MOTOR 70, SPP 1700, MUD 8.4 PPG, VIS 28, NO FLARE.
DIESEL 9234 GALS(USED 1046 GALS).			
NO ACCIDENTS. FULL CREWS. SAFETY TOPIC- PRESSURE TEST BOP.			
FUNCTION COM FIRST CONN ON TOUR, ALL CREWS.			
UNMANNED LOGGING UNIT 1 DAYS ON LOCATION.			

06:00 SPUD A 7 7/8" HOLE WITH ROTARY TOOL @ 05:30 HRS, 12/7/08.

12-08-2008 Reported By BRIAN DUTTON

DailyCosts: Drilling \$39,116 Completion \$0 Daily Total \$39,116

Cum Costs: Drilling \$524,112 Completion \$0 Well Total \$524,112

MD 5,179 TVD 5,179 Progress 2,739 Days 2 MW 8.5 Visc 28.0

Formation : PBTD : 0.0

Perf :

PKR Depth : 0.0

Activity at Report Time: DRILLING @ 5,179'.

Start	End	Hrs	Activity Description
06:00	08:30	2.5	DRILLED 2,440' TO 2,736' (296' @ 118.4 FPH), WOB 10-20K, GPM 451, RPM 35-50/MOTOR 70, SPP 2000, MUD 8.5 PPG, VIS 28, NO FLARE.

08:30	09:00	0.5 SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST PIPE RAMS.
09:00	18:30	9.5 DRILLED 2,736' TO 4,073' (1337' @ 140.7 FPH), WOB 10-20K, GPM 446, RPM 35-50/MOTOR 71, SPP 1934, MUD 9.1 PPG, VIS 28, NO FLARE.
18:30	19:00	0.5 SURVEY DEPTH @ 4,000' 2.5 DEGREES.
19:00	06:00	11.0 DRILLED 4,073' TO 5,179' (1106' @ 100.5 FPH), WOB 10-20K, GPM 446, RPM 35-50/MOTOR 71, SPP 1950, MUD 9.5+ PPG, VIS 31, NO FLARE.

DIESEL 8436 GALS(USED 798 GALS).

NO ACCIDENTS. FULL CREWS. SAFETY TOPIC- KEEPING WALK WAYS CLEAR.

FUNCTION COM FIRST CONN ON TOUR, ALL CREWS.

UNMANNED LOGGING UNIT 2 DAYS ON LOCATION.

DAY LIGHTS HELD BOP DRILL 70 SECONDS TO SECURE WELL.

EVENING TOUR HELD BOP DRILL 90 SECONDS TO SECURE WELL.

MORNING TOUR HELD BOP DRILL 75 SECONDS TO SECURE WELL.

**12-09-2008**      **Reported By**      BRIAN DUTTON

<b>DailyCosts: Drilling</b>	\$45,498	<b>Completion</b>	\$2,076	<b>Daily Total</b>	\$47,574
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<b>Cum Costs: Drilling</b>	\$569,610	<b>Completion</b>	\$2,076	<b>Well Total</b>	\$571,687
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<b>MD</b>	6,695	<b>TVD</b>	6,695	<b>Progress</b>	1,516	<b>Days</b>	3	<b>MW</b>	9.7	<b>Visc</b>	31.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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Activity at Report Time: DRILLING AT 6695'

Start	End	Hrs	Activity Description
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06:00	13:00	7.0	DRILLED 5,179' TO 5,848' (669' @ 95.5 FPH), WOB 10-20K, GPM 446, RPM 35-50/MOTOR 71, SPP 1950, MUD 9.7 PPG, VIS 30, NO FLARE.
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13:00	13:30	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST ANNULAR AND SUPER CHOKE.
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13:30	06:00	16.5	DRILLED 5,848' TO 6,695' (847' @ 51.3 FPH), WOB 10-20K, GPM 446, RPM 35-50/MOTOR 71, SPP 1950, MUD 10.1 PPG, VIS 32, NO FLARE.
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DIESEL 6555 GALS(USED 1881 GALS).

BOILER 19 HOURS.

NO ACCIDENTS. FULL CREWS. SAFETY TOPIC- BELT GUARDS.

FUNCTION COM FIRST CONN ON TOUR, ALL CREWS.

UNMANNED LOGGING UNIT 3 DAYS ON LOCATION.

**12-10-2008**      **Reported By**      BRIAN DUTTON

<b>DailyCosts: Drilling</b>	\$47,174	<b>Completion</b>	\$2,409	<b>Daily Total</b>	\$49,584
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<b>Cum Costs: Drilling</b>	\$616,785	<b>Completion</b>	\$4,486	<b>Well Total</b>	\$621,271
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<b>MD</b>	7,830	<b>TVD</b>	7,830	<b>Progress</b>	1,135	<b>Days</b>	4	<b>MW</b>	10.0	<b>Visc</b>	32.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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Activity at Report Time: DRILLING @ 7,830'

Start	End	Hrs	Activity Description
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06:00	12:30	6.5	DRILLED 6,695' TO 7,004' (309' @ 47.5 FPH), WOB 10-20K, GPM 446, RPM 35-50/MOTOR 71, SPP 2000, MUD 10.1 PPG, VIS 32, NO FLARE.
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12:30	13:00	0.5	SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST PIPE RAMS.
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13:00	06:00	17.0	DRILLED 7,004' TO 7,830' (826' @ 48.5 FPH), WOB 10-20K, GPM 439, RPM 35-50/MOTOR 70, SPP 2150, MUD 10.5 + PPG, VIS 34, NO FLARE.
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DIESEL 4674 GALS(USED 1881 GALS).

BOILER 13 HOURS.

NO ACCIDENTS. FULL CREWS. SAFETY TOPIC- UNLOADING CASING.

FUNCTION COM FIRST CONN ON TOUR, ALL CREWS.

UNMANNED LOGGING UNIT 4 DAYS ON LOCATION.

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**12-11-2008**      **Reported By**      BRIAN DUTTON/DAN LINDSEY

<b>Daily Costs: Drilling</b>	\$105,246	<b>Completion</b>	\$0	<b>Daily Total</b>	\$105,246
<b>Cum Costs: Drilling</b>	\$722,031	<b>Completion</b>	\$4,486	<b>Well Total</b>	\$726,518

**MD**      8,570      **TVD**      8,570      **Progress**      740      **Days**      5      **MW**      10.7      **Visc**      34.0

**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0**

**Activity at Report Time: DRILLING @ 8570'**

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILLED 7830 TO 8072(242' @ 44.0 FPH), WOB 20K, GPM 432, RPM 40/MOTOR 69, SPP 2200, NO FLARE.
11:30	12:00	0.5	SERVICED RIG. FUNCTION PIPE RAMS.
12:00	06:00	18.0	DRILLED 8072 TO 8570(508' @ 27.7 FPH), WOB 20K, GPM 432, RPM 35-40/MOTOR 69, SPP 2200, INTERMITTENT FLARE. THIS A.M. MUD 11.1 PPG, VIS 35.

DIESEL 2964 GALS(USED 1710). BOILER 16 HRS.

NO ACCIDENTS. FULL CREWS. FUNCTION COM FIRST CONN ON TOUR, ALL CREWS.

UNMANNED LOGGING UNIT 5 DAYS ON LOCATION

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**12-12-2008**      **Reported By**      DAN LINDSEY

<b>Daily Costs: Drilling</b>	\$68,805	<b>Completion</b>	\$0	<b>Daily Total</b>	\$68,805
<b>Cum Costs: Drilling</b>	\$790,837	<b>Completion</b>	\$4,486	<b>Well Total</b>	\$795,323

**MD**      9,055      **TVD**      9,055      **Progress**      485      **Days**      6      **MW**      11.1      **Visc**      37.0

**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0**

**Activity at Report Time: DRILLING @ 9055.**

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRILLED 8570 TO 8603(33' @ 22.0 FPH), WOB 20K, GPM 432, RPM 40/MOTOR 69, SPP 2200, NO FLARE.
07:30	08:00	0.5	SERVICED RIG. FUNCTION PIPE RAMS.
08:00	09:00	1.0	DRILLED 8603 TO 8621(18'), WOB 20K, GPM 432, RPM 45/MOTOR 69, SPP 2300, NO FLARE.
09:00	11:00	2.0	PUMPED PILL. SET & FUNCTION COM FOR TRIP. TOO H W/BIT #1.
11:00	12:00	1.0	TIGHT HOLE @ 4500(BIT HUNG UP, JARRED DOWN ONCE TO FREE, WASHED & REAMED THROUGH.
12:00	15:00	3.0	PUMPED PILL. FINISHED TOO H W/BIT #1.
15:00	16:00	1.0	LD REAMERS. CHANGED MUD MOTOR & BIT. FUNCTION BLIND RAMS.
16:00	21:00	5.0	TIH W/BIT #2.
21:00	22:00	1.0	WASHED & REAMED 90' TO 8621, NO FILL.
22:00	06:00	8.0	DRILLED 8621 TO 9055(434' @ 54.3 FPH), WOB 10-20K, GPM 432, RPM 35-40/MOTOR 69, SPP 2450, 10' FLARE. THIS A.M. MUD 11.3 PPG, VIS 37.

DIESEL 1596 GALS(USED 1369). BOILER 24 HRS.

NO ACCIDENTS. FULL CREWS. FUNCTION COM FIRST CONN ON TOUR, DAYLIGHT &amp; MORNING CREW.

UNMANNED LOGGING UNIT 6 DAYS ON LOCATION.

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**12-13-2008**      **Reported By**      DAN LINDSEY

<b>DailyCosts: Drilling</b>	\$54,707	<b>Completion</b>	\$779	<b>Daily Total</b>	\$55,486
<b>Cum Costs: Drilling</b>	\$845,545	<b>Completion</b>	\$5,265	<b>Well Total</b>	\$850,810
<b>MD</b>	9,400	<b>TVD</b>	9,400	<b>Progress</b>	345
		<b>Days</b>	7	<b>MW</b>	11.2
		<b>Visc</b>	37.0		
<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>		<b>PKR Depth : 0.0</b>	

Activity at Report Time: RUNNING 4-1/2" CSG

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILLED 9055 TO 9155(100' @ 50.0 FPH), WOB 20K, GPM 432, RPM 40/MOTOR 69, SPP 2300, 10' FLARE.
08:00	08:30	0.5	SERVICED RIG. FUNCTION PIPE RAMS.
08:30	13:30	5.0	DRILLED 9155 TO 9400(245' @ 49.0 FPH), WOB 20K, GPM 432, RPM 40/MOTOR 69, SPP 2300, INTERMITTENT 2' FLARE. FINAL MUD 11.5 PPG, VIS 37. REACHED TD AT 13:30 HRS, 12/12/08.
13:30	15:30	2.0	CIRCULATED CLEAN AND CONDITIONED HOLE.
15:30	18:00	2.5	PUMPED PILL. SET & FUNCTION COM. SHORT TRIPPED 30 STDS TO 6540, NO FILL.
18:00	20:00	2.0	CIRCULATED GAS OUT. RU WEATHERFORD LD MACHINE. HELD SAFETY MEETING.
20:00	20:30	0.5	DROPPED SURVEY. PUMPED PILL.
20:30	00:30	4.0	LDDP.
00:30	02:00	1.5	BROKE KELLY. LD BHA.
02:00	02:30	0.5	PULLED WEAR BUSHING.
02:30	03:30	1.0	RU WEATHERFORD CSG CREW. HELD SAFETY MEETING.
03:30	06:00	2.5	RAN 4.5" 11.6# N-80 LTC CASING(80 JTS IN HOLE AT REPORT TIME).

MUD 11.5 PPG, VIS 37.

DIESEL 3192 GALS(RECEIVED 3000, USED 1404). BOILER 17 HRS.

NO ACCIDENTS. FULL CREWS. FUNCTION COM FIRST CONN ON TOUR, DAYLIGHT CREW.

UNMANNED LOGGING UNIT 7 DAYS ON LOCATION, RELEASED 12/12/08.

NOTIFIED BLM VIA EMAIL @ 1430 HRS 12/12/08 OF CSG &amp; CMT JOB.

12-14-2008 Reported By DAN LINDSEY

<b>DailyCosts: Drilling</b>	\$41,552	<b>Completion</b>	\$199,538	<b>Daily Total</b>	\$241,090
<b>Cum Costs: Drilling</b>	\$887,098	<b>Completion</b>	\$204,803	<b>Well Total</b>	\$1,091,901
<b>MD</b>	9,400	<b>TVD</b>	9,400	<b>Progress</b>	0
		<b>Days</b>	8	<b>MW</b>	0.0
		<b>Visc</b>	0.0		
<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>		<b>PKR Depth : 0.0</b>	

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	09:30	3.5	RAN 4.5" 11.6# N80 LTC CASING (FS, 1 JT, FC, 216 JTS & 2 MARKERS) & TAG JT. RAN 35 CENTRALIZERS (MIDDLE OF SHOE JT, TOP OF #2, EVERY 2ND JT TO 6440). TAGGED @ 9400. LD TAG JT. PU LANDING JT W/FLUTED CSG HANGER. LANDED CSG @ 9386(FC @ 9340, MARKERS @ 7042-63 & 4194-4216).
09:30	10:30	1.0	CIRCULATED GAS OUT. RD WEATHERFORD CSG CREW & LD MACHINE. RU SLB CEMENTER. HELD SAFETY MEETING.
10:30	13:00	2.5	CEMENTED CSG AS FOLLOWS: PUMPED BOTTOM PLUG, 20 BBLS CHEM WASH, 20 BBLS FW SPACER, 340 SX 35/65 POZ G(137 BBLS @ 12.0 PPG, 2.26 CFS) & 1570 SX 50/50 POZ G(361 BBLS @ 14.1 PPG, 1.29 CFS). DROPPED TOP PLUG. DISP W/144 BTW(LOST RETURNS WITH 135 BW PUMPED). FINAL LIFT PRESSURE 2500 PSI, BUMPED PLUG TO 3600 PSI. BLEED OFF, FLOATS HELD.
13:00	14:00	1.0	WAIT ON CEMENT. HAULED 800 BBLS MUD TO STORAGE. CLEANED MUD TANKS. RDRT.
14:00	16:00	2.0	REMOVED LANDING JT. RAN CSG HANGER PACKOFF AND LOCKED IN POSITION. TESTED HANGER TO 5000 PSI. FINISHED CLEANING MUD TANKS. RDRT. NO ACCIDENTS. FULL CREWS.



TRANSFERRED 2 JTS(85.85') 4.5" 11.6# N80 LTC CASING TO CWU 1282-27.

TRANSFERRED 1 MARKER JT(20.98') 4.5" 11.6# HCP-110 LTC CASING TO CWU 1282-27.

TRANSFERRED 2736 GALS DIESEL TO CWU 1282-27.

16:00 06:00 14.0 RDRT. LOWERED DERRICK @ 1630 HRS. CONTINUED RDRT.

15 MEN, 90 MAN-HOURS. NO ACCIDENTS.

TRUCKS SCHEDULED FOR 0700 HRS 12/14/08. MOVE TO CWU 1282-27 IS APPROXIMATELY 0.5 MILES.

06:00 RIG RELEASED @ 16:00 HRS, 12/13/08.

CASING POINT COST \$879,958

12-16-2008		Reported By		RITA THOMAS							
DailyCosts: Drilling		\$0		Completion		\$169,084		Daily Total		\$169,084	
Cum Costs: Drilling		\$887,098		Completion		\$373,887		Well Total		\$1,260,985	
MD	9,400	TVD	9,400	Progress	0	Days	9	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: FACILITY COST											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	FACILITY COST \$169,084								

12-18-2008		Reported By		SEARLE							
Daily Costs: Drilling		\$0		Completion		\$43,958		Daily Total		\$43,958	
Cum Costs: Drilling		\$887,098		Completion		\$417,845		Well Total		\$1,304,943	
MD	9,400	TVD	9,400	Progress	0	Days	10	MW	0.0	Visc	0.0
Formation :		PBTD : 9340.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: PREP FOR FRACS											
Start	End	Hrs	Activity Description								
06:00			MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 200'. EST CEMENT TOP @ 500'. RD SCHLUMBERGER.								

12-19-2008		Reported By		SEARLE							
Daily Costs: Drilling		\$0		Completion		\$650		Daily Total		\$650	
Cum Costs: Drilling		\$887,098		Completion		\$418,495		Well Total		\$1,305,593	
MD	9,400	TVD	9,400	Progress	0	Days	11	MW	0.0	Visc	0.0
Formation :		PBTD : 9340.0				Perf :		PKR Depth : 0.0			
Activity at Report Time: PREP FOR FRACS											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	MIRU WSS. PRESSURE TEST CASING TO 6500 PSIG. HELD OK RD WSS.								

<b>01-13-2009</b>		<b>Reported By</b>		MCCURDY							
<b>Daily Costs: Drilling</b>		\$0		<b>Completion</b>		\$1,343		<b>Daily Total</b>		\$1,343	
<b>Cum Costs: Drilling</b>		\$887,098		<b>Completion</b>		\$419,838		<b>Well Total</b>		\$1,306,936	
<b>MD</b>	9,400	<b>TVD</b>	9,400	<b>Progress</b>	0	<b>Days</b>	12	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 9340.0</b>				<b>Perf : 8086'-9131'</b>		<b>PKR Depth : 0.0</b>			

## Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WIRELINE & PERFORATE LPR FROM 8949'-50', 8959'-60', 8980'-81', 9002'-03', 9008'-09', 9021'-22', 9041'-42', 9048'-49', 9084'-85', 9102'-03', 9120'-21', 9129'-31' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4180 GAL WF116 LINEAR PAD, 2088 GAL YF116 ST+ PAD, 34821 GAL YF116ST+ WITH 112700# 20/40 SAND @ 1-5 PPG. MTP 6221 PSIG. MTR 52.6 BPM. ATP 4900 PSIG. ATR 46.3 BPM. ISIP 2950 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 8905'. PERFORATE LPR/MPR FROM 8657'-58', 8675'-76', 8680'-81', 8689'-90', 8735'-36', 8753'-54' (MISFIRE), 8763'-64' (MISFIRE), 8772'-73', 8783'-84', 8827'-28', 8846'-47', 8879'-80' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2079 GAL YF116 ST+ PAD, 21601 GAL YF116ST+ WITH 59400# 20/40 SAND @ 1-4 PPG. MTP 6594 PSIG. MTR 51.4 BPM. ATP 5353 PSIG. ATR 41.6 BPM. ISIP 2680 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 8620'. PERFORATE MPR FROM 8358'-59', 8366'-67', 8385'-86', 8394'-95', 8405'-06', 8419'-20' (MISFIRE), 8437'-38', 8455'-56', 8473'-74', 8502'-03', 8540'-41', 8604'-05' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 7227 GAL YF116 ST+ PAD, 49922 GAL YF116ST+ WITH 148600# 20/40 SAND @ 1-4 PPG. MTP 6590 PSIG. MTR 50.8 BPM. ATP 5199 PSIG. ATR 42.7 BPM. ISIP 3400 PSIG. RD SCHLUMBERGER.
			RUWL. SET 6K CFP AT 8312'. PERFORATE MPR FROM 8086'-87', 8115'-16', 8130'-31', 8148'-49', 8166'-67', 8174'-75', 8189'-90', 8234'-35', 8246'-47', 8272'-73', 8282'-83', 8298'-99' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 7466 GAL YF116 ST+ PAD, 70016 GAL YF116ST+ WITH 224800# 20/40 SAND @ 1-5 PPG. MTP 6495 PSIG. MTR 52.4 BPM. ATP 4906 PSIG. ATR 47.5 BPM. ISIP 3150 PSIG. RD SCHLUMBERGER. SDFN.

01-14-2009		Reported By		MCCURDY	
Daily Costs: Drilling		\$0		Completion	\$361,060
Cum Costs: Drilling		\$887,098		Completion	\$780,898
MD	9,400	TVD	9,400	Progress	0
Formation : MESAVERDE		PBT D : 9340.0		Days	13
				Perf : 7096'-9131'	
				MW	0.0
				Visc	0.0
				PKR Depth : 0.0	

## Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 1725 PSIG. RUWL SET 6K CFP AT 8030'. PERFORATE MPR/UPR FROM 7875'-76', 7883'-84', 7915'-16', 7921'-22', 7933'-34', 7938'-39', 7964'-65', 7976'-77', 7989'-91', 8011'-12', 8015'-16' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4164 GAL YF116 ST+ PAD, 50542 GAL YF116ST+ WITH 154000# 20/40 SAND @ 1-5 PPG. MTP 5904 PSIG. MTR 52.6 BPM. ATP 4023 PSIG. ATR 46 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER.
			RUWL SET 6K CFP AT 7824'. PERFORATE UPR FROM 7620'-21', 7624'-25', 7655'-56', 7666'-67', 7688'-89', 7708'-09', 7715'-16', 7723'-24', 7764'-65', 7770'-71', 7794'-95', 7808'-09' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2070 GAL YF116 ST+ PAD, 30644 GAL YF116ST+ WITH 96100# 20/40 SAND @ 1-5 PPG. MTP 6024 PSIG. MTR 52.6 BPM. ATP 4408 PSIG. ATR 47.1 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER.
			RUWL SET 6K CFP AT 7530'. PERFORATE UPR FROM 7308'-09', 7315'-16', 7336'-37', 7345'-46', 7399'-400', 7429'-30', 7437'-38', 7457'-58', 7473'-74', 7482'-83', 7492'-93', 7506'-07' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2065 GAL YF116 ST+ PAD, 42442 GAL YF116ST+ WITH 141400# 20/40 SAND @ 1-5 PPG. MTP 5835 PSIG. MTR 52.6 BPM. ATP 3863 PSIG. ATR 48.8 BPM. ISIP 2450 PSIG. RD SCHLUMBERGER.

RUWL SET 6K CFP AT 7250'. PERFORATE UPR FROM 7096'-97', 7124'-25', 7136'-37', 7143'-44', 7148'-49', 7179'-80', 7185'-86', 7200'-01', 7206'-07', 7217'-19', 7233'-34' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2066 GAL YF116 ST+ PAD, 31912 GAL YF116ST+ WITH 102400# 20/40 SAND @ 1-5 PPG. MTP 5467 PSIG. MTR 52.3 BPM. ATP 3991 PSIG. ATR 48 BPM. ISIP 2200 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CBP AT 7011'. RDWL. SDFN.

**01-15-2009**      **Reported By**      HAL IVIE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$29,788	<b>Daily Total</b>	\$29,788
<b>Cum Costs: Drilling</b>	\$887,098	<b>Completion</b>	\$810,686	<b>Well Total</b>	\$1,697,784

**MD**      9,400      **TVD**      9,400      **Progress**      0      **Days**      14      **MW**      0.0      **Visc**      0.0

**Formation : MESAVERDE**      **PBTD : 9340.0**      **Perf : 7096'-9131'**      **PKR Depth : 0.0**

**Activity at Report Time: CLEAN OUT AFTER FRAC**

Start	End	Hrs	Activity Description
06:00	18:00	12.0	MIRU ROYAL RIG # 1. ND FRAC TREE. NU BOP. RIH W/BIT & PUMP OFF SUB TO 7011'. RU TO DRILL OUT PLUGS. SDFN.

**01-16-2009**      **Reported By**      HAL IVIE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$52,764	<b>Daily Total</b>	\$52,764
<b>Cum Costs: Drilling</b>	\$887,098	<b>Completion</b>	\$863,450	<b>Well Total</b>	\$1,750,548

**MD**      9,400      **TVD**      9,400      **Progress**      0      **Days**      15      **MW**      0.0      **Visc**      0.0

**Formation : MESAVERDE**      **PBTD : 9340.0**      **Perf : 7096'-9131'**      **PKR Depth : 0.0**

**Activity at Report Time: FLOW TEST**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7011', 7250', 7530', 7824', 8030', 8312', 8620', 8905' RIH. CLEANED OUT TO PBTD @ 9340' LANDED TBG AT 7840' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 14 HRS. 24/64 CHOKE. FTP 1450 PSIG. CP 1700 PSIG. 90 BFPH. RECOVERED 1264 BLW. 8537 BLWTR.

TUBING DETAIL      LENGTH

PUMP OFF SUB      1.00'

1 JT 2-3/8 4.7# L-80 TBG      32.90'

XN NIPPLE      1.10'

237 JTS 2-3/8 4.7# L-80 TBG      7785.79'

BELOW KB      19.00'

LANDED @      7839.79' KB

**01-17-2009**      **Reported By**      HAL IVIE

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,190	<b>Daily Total</b>	\$2,190
<b>Cum Costs: Drilling</b>	\$887,098	<b>Completion</b>	\$865,640	<b>Well Total</b>	\$1,752,738

**MD**      9,400      **TVD**      9,400      **Progress**      0      **Days**      16      **MW**      0.0      **Visc**      0.0

**Formation : MESAVERDE**      **PBTD : 9340.0**      **Perf : 7096'-9131'**      **PKR Depth : 0.0**

**Activity at Report Time: FLOW TEST TO SALES**

Start	End	Hrs	Activity Description
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06:00 06:00 24.0 FLOWED 24 HRS. 24/64" CHOKE. FTP 1800 PSIG. CP 2100 PSIG. 73 BFPH. RECOVERED 1685 BLW. 6852 BLWTR. 1800 MCFD RATE. FLOW THROUGH TEST UNIT TO SALES.

01-18-2009 Reported By BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,190	<b>Daily Total</b>	\$2,190
<b>Cum Costs: Drilling</b>	\$887,098	<b>Completion</b>	\$867,830	<b>Well Total</b>	\$1,754,928
<b>MD</b>	9,400	<b>TVD</b>	9,400	<b>Progress</b>	0
<b>Days</b>	17	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>	<b>PBTD : 9340.0</b>	<b>Perf : 7096'-9131'</b>	<b>PKR Depth : 0.0</b>		

Activity at Report Time: FLOW TEST TO SALES.

**Start End Hrs Activity Description**

06:00 06:00 24.0 FLOWED 24 HRS. 24/64 CHOKE. FTP- 1700 PSIG, CP- 2200 PSIG. 57 BFPH. RECOVERED 1360 BBLS, 5492 BLWTR. 2.2 MCF/D. FLOWED THROUGH TEST UNIT TO SALES.

01-19-2009 Reported By BAUSCH/DUANE SOOK/WATKINS

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,190	<b>Daily Total</b>	\$2,190
<b>Cum Costs: Drilling</b>	\$887,098	<b>Completion</b>	\$870,020	<b>Well Total</b>	\$1,757,118
<b>MD</b>	9,400	<b>TVD</b>	9,400	<b>Progress</b>	0
<b>Days</b>	18	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>	<b>PBTD : 9340.0</b>	<b>Perf : 7096'-9131'</b>	<b>PKR Depth : 0.0</b>		

Activity at Report Time: FLOW TEST TO SALES

**Start End Hrs Activity Description**

06:00 06:00 24.0 INITIAL PRODUCTION. OPENING PRESSURE: TP 1850 PSIG & CP 1600 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 12:00 HRS, 1/16/09. FLOWED 1633 MCFD RATE ON 24/64" CHOKE. STATIC 280. QGM METER #8055. BRECO UNIT.

FLOWED 24 HRS. 24/64 CHOKE. FTP 1550 PSIG. CP 3150 PSIG. 43 BFPH. RECOVERED 1040 BLW. 4452 BLWTR. 2500 MCFD. FLOWED THROUGH TEST UNIT TO SALES.

01/19/09: FLOWED 2730 MCF, 0 BC & 950 BW IN 24 HRS ON 24/64" CHOKE, TP 1250 PSIG, CP 2050 PSIG.

01-20-2009 Reported By BAUSCH/MIKE LEBARON

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,190	<b>Daily Total</b>	\$2,190
<b>Cum Costs: Drilling</b>	\$887,098	<b>Completion</b>	\$872,210	<b>Well Total</b>	\$1,759,308
<b>MD</b>	9,400	<b>TVD</b>	9,400	<b>Progress</b>	0
<b>Days</b>	19	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>	<b>PBTD : 9340.0</b>	<b>Perf : 7096'-9131'</b>	<b>PKR Depth : 0.0</b>		

Activity at Report Time: FLOW TEST TO SALES

**Start End Hrs Activity Description**

06:00 06:00 24.0 FLOWED 24 HRS. 24/64 CHOKE. FTP 1450 PSIG. CP 1750 PSIG. 31 BFPH. RECOVERED 738 BLW. 3714 BLWTR. 2500 MCFD RATE. FLOWED THROUGH TEST UNIT TO SALES.

FLOWED 2398 MCF, 40 BC & 1000 BW IN 24 HRS ON 24/64" CHOKE, TP 1550 PSIG, CP 1750 PSIG.

01-21-2009 Reported By BAUSCH

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$2,190	<b>Daily Total</b>	\$2,190
<b>Cum Costs: Drilling</b>	\$887,098	<b>Completion</b>	\$874,400	<b>Well Total</b>	\$1,761,498
<b>MD</b>	9,400	<b>TVD</b>	9,400	<b>Progress</b>	0
<b>Days</b>	20	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>	<b>PBTD : 9340.0</b>	<b>Perf : 7096'-9131'</b>	<b>PKR Depth : 0.0</b>		

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 24/64 CHOKE. FTP 1350 PSIG. CP 1600 PSIG. 25 BFPH. RECOVERED 589 BLW. 3125 BLWTR. 2700 MCFD RATE. FLOWED THROUGH TEST UNIT TO SALES.

FLOWED 2570 MCF, 25 BC & 713 BW IN 24 HRS ON 24/64" CHOKE, TP 1450 PSIG, CP 1750 PSIG.

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS****Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.**5. Lease Serial No.  
UTU0285A

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**7. If Unit or CA/Agreement, Name and/or No.  
CHAPITA WELLS

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other8. Well Name and No.  
CHAPITA WELLS UNIT 1281-272. Name of Operator  
EOG RESOURCES, INC.Contact: MICKENZIE THACKER  
E-Mail: MICKENZIE\_THACKER@EOGRESOURCES.COM9. API Well No.  
43-047-402663a. Address  
1060 E. HWY 40  
VERNAL, UT 840783b. Phone No. (include area code)  
Ph: 453-781-914510. Field and Pool, or Exploratory  
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 27 T9S R22E SENW 1321FNL 2070FWL  
40.01062 N Lat, 109.42816 W Lon11. County or Parish, and State  
UINTAH COUNTY, UT**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Well Spud
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Revised from previous submission dated 11/14/2008. (Item 4)

The referenced well was spud on 11/12/2008.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #67289 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal

Name (Printed/Typed) MICKENZIE THACKER

Title OPERATIONS CLERK

Signature

Date 02/13/2009

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*****RECEIVED**  
**FEB 18 2009****DIV. OF OIL, GAS & MINING**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.  
UTU0285A1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other  
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.  
Other \_\_\_\_\_

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.  
CHAPITA WELLS2. Name of Operator  
EOG RESOURCES, INC. Contact: MARY A. MAESTAS  
E-Mail: mary\_maestas@eogresources.com8. Lease Name and Well No.  
CHAPITA WELLS UNIT 1281-273. Address 600 17TH STREET SUITE 1000N  
DENVER, CO 802023a. Phone No. (include area code)  
Ph: 303-824-55269. API Well No.  
43-047-40266

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*

At surface SENW 1321FNL 2070FWL 40.01062 N Lat, 109.42816 W Lon

At top prod interval reported below SENW 1321FNL 2070FWL 40.01062 N Lat, 109.42816 W Lon

At total depth SENW 1321FNL 2070FWL 40.01062 N Lat, 109.42816 W Lon

10. Field and Pool, or Exploratory  
NATURAL BUTTES11. Sec., T., R., M., or Block and Survey  
or Area Sec 27 T9S R22E Mer SLB12. County or Parish  
UINTAH 13. State  
UT14. Date Spudded  
11/12/200815. Date T.D. Reached  
12/12/200816. Date Completed  
☐ D & A ☒ Ready to Prod.  
01/16/200917. Elevations (DF, KB, RT, GL)\*  
4951 GL18. Total Depth: MD  
TVD 940019. Plug Back T.D.: MD  
TVD 934020. Depth Bridge Plug Set: MD  
TVD21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
RST/CBL/CCL/VDL/GR22. Was well cored? ☒ No ☐ Yes (Submit analysis)  
Was DST run? ☒ No ☐ Yes (Submit analysis)  
Directional Survey? ☒ No ☐ Yes (Submit analysis)

## 23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	9.625 J-55	36.0	0	2395		775		0	
7.875	4.500 N-80	11.6	0	9386		1910		500	

## 24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	7840							

## 25. Producing Intervals

## 26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	7096	9131	8949 TO 9131		3	
B)			8657 TO 8880		3	
C)			8358 TO 8605		3	
D)			8086 TO 8299		3	

## 27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
8949 TO 9131	41,254 GALS GELLED WATER & 112,700# 20/40 SAND
8657 TO 8880	23,845 GALS GELLED WATER & 59,400# 20/40 SAND
8358 TO 8605	57,314 GALS GELLED WATER & 148,600# 20/40 SAND
8086 TO 8299	77,647 GALS GELLED WATER & 224,800# 20/40 SAND

## 28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
01/16/2009	01/26/2009	24	→	30.0	1121.0	80.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
12/64"	1950	2150.0	→	30	1121	80		PGW	

## 28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #67177 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED

RECEIVED

FEB 12 2009

DIV. OF OIL, GAS &amp; MINING



## 28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

## 28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

29. Disposition of Gas(Sold, used for fuel, vented, etc.)  
SOLD

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
MESAVERDE	7096	9131		GREEN RIVER	1596
				BIRDS NEST	1728
				MAHOGANY	2221
				UTELAND BUTTE	4491
				WASATCH	4606
				CHAPITA WELLS	5198
				BUCK CANYON	5889
				PRICE RIVER	7087

## 32. Additional remarks (include plugging procedure):

Please see the attached page for detailed perforation and additional formation marker information.

## 33. Circle enclosed attachments:

- |   |                    |               |                       |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.)     | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis   | 7 Other:      |                       |

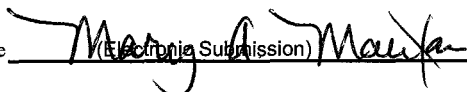
## 34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #67177 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature



Date 02/10/2009

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\*

**Chapita Wells Unit 1281-27 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

7875-8016	3/spf
7620-7809	3/spf
7308-7507	3/spf
7096-7234	3/spf

**27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.**

7875-8016	54,871 GALS GELLED WATER & 154,000# 20/40 SAND
7620-7809	32,879 GALS GELLED WATER & 96,100# 20/40 SAND
7308-7507	44,672 GALS GELLED WATER & 141,400# 20/40 SAND
7096-7234	34,143 GALS GELLED WATER & 102,400# 20/40 SAND

Perforated the Lower Price River from 8949-50', 8959-60', 8980-81', 9002-03', 9008-09', 9021-22', 9041-42', 9048-49', 9084-85', 9102-03', 9120-21', 9129-31' w/ 3 spf.

Perforated the Lower/Middle Price River from 8657-58', 8675-76', 8680-81', 8689-90', 8735-36', 8772-73', 8783-84', 8827-28', 8846-47', 8879-80' w/ 3 spf.

Perforated the Middle Price River from 8358-59', 8366-67', 8385-86', 8394-95', 8405-06', 8437-38', 8455-56', 8473-74', 8502-03', 8540-41', 8604-05' w/ 3 spf.

Perforated the Middle Price River from 8086-87', 8115-16', 8130-31', 8148-49', 8166-67', 8174-75', 8189-90', 8234-35', 8246-47', 8272-73', 8282-83', 8298-99' w/ 3 spf.

Perforated the Middle/Upper Price River from 7875-76', 7883-84', 7915-16', 7921-22', 7933-34', 7938-39', 7964-65', 7976-77', 7989-91', 8011-12', 8015-16' w/ 3 spf.

Perforated the Upper Price River from 7620-21', 7624-25', 7655-56', 7666-67', 7688-89', 7708-09', 7715-16', 7723-24', 7764-65', 7770-71', 7794-95', 7808-09' w/ 3 spf.

Perforated the Upper Price River from 7308-09', 7315-16', 7336-37', 7345-46', 7399-7400', 7429-30', 7437-38', 7457-58', 7473-74', 7482-83', 7492-93', 7506-07' w/ 3 spf.

Perforated the Upper Price River from 7096-97', 7124-25', 7136-37', 7143-44', 7148-49', 7179-80', 7185-86', 7200-01', 7206-07', 7217-19', 7233-34' w/ 3 spf.

**32. FORMATION (LOG) MARKERS**

Middle Price River	7917
Lower Price River	8686
Sego	9202

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 1281-27

API number: 4304740266

Well Location: QQ SENW Section 27 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
		NO WATER	FLUID DRILLED HOLE

Formation tops: (Top to Bottom)

1	2	3
4	5	6
7	8	9
10	11	12

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 2/10/2009

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS**  
***Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0285A
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202	3b. Phone No. (include area code) Ph: 303-824-5526 Fx: 303-824-5527	8. Well Name and No. CHAPITA WELLS UNIT 1281-27
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 27 T9S R22E SENW 1321FNL 2070FWL 40.01062 N Lat, 109.42816 W Lon		9. API Well No. 43-047-40266
		10. Field and Pool, or Exploratory NATURAL BUTTES
		11. County or Parish, and State UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

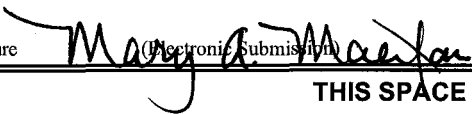
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomple horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

As per verbal approval with Nate Packer, Vernal BLM, a small evaporation unit was placed in the reserve pit on the referenced location. The unit will be in place until the pit is fully evaporated. Upon completion of evaporation, the pit will be reclaimed.

Accepted by the  
Utah Division of  
Oil, Gas and Mining  
**FOR RECORD ONLY**

**RECEIVED**  
**JUN 08 2009**  
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #70513 verified by the BLM Well Information System For EOG RESOURCES, INC., sent to the Vernal</b>		
Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT	
Signature 	Date 06/04/2009	
<b>THIS SPACE FOR FEDERAL OR STATE OFFICE USE</b>		
Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office _____		
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.		

**\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\***

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU0285A
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.		<b>7. UNIT or CA AGREEMENT NAME:</b> CHAPITA WELLS
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078		<b>8. WELL NAME and NUMBER:</b> CWU 1281-27
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1321 FNL 2070 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SENW Section: 27 Township: 09.0S Range: 22.0E Meridian: S		<b>9. API NUMBER:</b> 43047402660000
<b>PHONE NUMBER:</b> 435 781-9111 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UINTAH		<b>STATE:</b> UTAH
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> <b>ACIDIZE</b>	
<input checked="" type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion: 11/4/2009	<input type="checkbox"/> <b>ALTER CASING</b>	
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> <b>CHANGE TO PREVIOUS PLANS</b>	
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> <b>CHANGE TUBING</b>	
	<input type="checkbox"/> <b>CHANGE WELL STATUS</b>	
	<input type="checkbox"/> <b>COMMINGLE PRODUCING FORMATIONS</b>	
	<input type="checkbox"/> <b>DEEPEN</b>	
	<input type="checkbox"/> <b>FRACTURE TREAT</b>	
	<input type="checkbox"/> <b>OPERATOR CHANGE</b>	
	<input type="checkbox"/> <b>PLUG AND ABANDON</b>	
	<input type="checkbox"/> <b>PRODUCTION START OR RESUME</b>	
	<input type="checkbox"/> <b>RECLAMATION OF WELL SITE</b>	
	<input type="checkbox"/> <b>REPERFORATE CURRENT FORMATION</b>	
	<input type="checkbox"/> <b>SIDETRACK TO REPAIR WELL</b>	
	<input type="checkbox"/> <b>TUBING REPAIR</b>	
	<input type="checkbox"/> <b>VENT OR FLARE</b>	
	<input type="checkbox"/> <b>WATER SHUTOFF</b>	
	<input type="checkbox"/> <b>SI TA STATUS EXTENSION</b>	
	<input type="checkbox"/> <b>WILDCAT WELL DETERMINATION</b>	
	<input checked="" type="checkbox"/> <b>OTHER</b>	
	<b>OTHER:</b> Pit Closure	
<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> The reserve pit on the referenced location was closed on 11/4/2009 as per the APD procedure.		
<b>Accepted by the</b> <b>Utah Division of</b> <b>Oil, Gas and Mining</b> <b>FOR RECORD ONLY</b> November 12, 2009		
<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 11/11/2009	